

CITY OF ROANOKE REDEVELOPMENT AND HOUSING AUTHORITY



AUDIT DRAFT

SEPTEMBER 30, 2022

Roanoke Redevelopment and Housing Authority

FINANCIAL STATEMENTS

DRAFT

Roanoke Redevelopment and Housing Authority

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September 30, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Roanoke Redevelopment and Housing Authority:

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type (primary government) and the aggregate discretely presented component units of the Roanoke Redevelopment and Housing Authority, (the "Authority"), as of and for the year ended September 30, 2022 and the related notes to the financial statements, which collectively comprise the Roanoke Redevelopment and Housing Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Roanoke Redevelopment and Housing Authority, as of September 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Roanoke Redevelopment and Housing Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Roanoke Redevelopment and Housing Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Roanoke Redevelopment and Housing Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Roanoke Redevelopment and Housing Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, the schedules related to accounting and reporting for pensions and the schedules related to accounting and reporting for postemployment benefits other than pensions, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Roanoke Redevelopment and Housing Authority's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2023, on our consideration of the Roanoke Redevelopment and Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Roanoke Redevelopment and Housing Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Roanoke Redevelopment and Housing Authority's internal control over financial reporting and compliance.

Toms River, New Jersey
March 7, 2023

ROANOKE REDEVELOPMENT & HOUSING AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2022

The Roanoke Redevelopment and Housing Authority (the Authority or RRHA) is a political subdivision of the Commonwealth of Virginia empowered to implement housing, community development, redevelopment, and revitalization programs within the City of Roanoke (the City). The City created the Authority in 1949 under the provisions of the United States Housing Act of 1937. Under Title 36 of the Code of Virginia, the Authority has the power to acquire, lease, and improve property, to acquire via eminent domain, to make loans or grants, to investigate and determine whether an area is blighted, and to carry out a redevelopment plan in cooperation with local government.

The Authority presents this discussion and analysis of its financial activities for the fiscal year ending September 30, 2022. Please read this overview of the Authority's financial activities in conjunction with the financial statements beginning on page 10.

The discussion and analysis are intended to serve as an introduction to the Authority's basic financial statements. The financial section of this report includes management's discussion and analysis, the basic financial statements, and other supplementary information. The basic financial statements are composed of two parts: the financial statements and the corresponding notes to the financial statements. The other supplementary information included in the financial section of the report presents required information as well as nonessential information considered of interest to readers of the report.

The primary focus of the Authority's financial statements is on the financial statements of a single business-type activity that combines all programs administered by the Authority. A separate column in the financial statements also shows the combined transactions of the Authority's real estate limited partnership component units.

The financial results of the discretely presented component units are not addressed in this management discussion and analysis.

FINANCIAL HIGHLIGHTS

The Authority's fiscal year 2022 major financial highlights included the following:

Total assets and liabilities of the Authority were approximately \$64.8 million and \$4.3 million respectively, with a total net position of \$60.5 million at September 30, 2022.

Total assets increased during the year by approximately \$5,000,000, primarily due to an increase in cash and non-current assets.

Total liabilities increased during the year by approximately \$908,000 dollars, due to increases in both current and non-current liabilities.

Total Revenues (including capital contributions and grants) and expenses were approximately \$32 million and \$28 million respectively.

Revenues are derived from various sources with approximately 87% received either directly from the U. S. Department of Housing and Urban Development (HUD), the State of Virginia, or indirectly from the City. Rental Revenues account for an additional 12.5% of total revenue; the remaining .5% of revenue balance is derived from miscellaneous fees for services, and nonoperating sources (miscellaneous leasing fees).

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

AUTHORITY FINANCIAL STATEMENTS

The Authority's mission focuses on the planning, design, construction, preservation, rehabilitation, financing, and management of housing, primarily for low- and moderate-income households, assisting in the revitalization of neighborhoods, and redevelopment of commercial and industrial areas in the City of Roanoke. As of September 30, 2022, the Authority owned over 1280 residential units that are leased to low-income families and individuals. In addition, housing assistance was paid to over 1,969 households under the Federal Housing Choice Voucher program for privately owned existing housing.

BASIC FINANCIAL STATEMENTS

The Authority is presenting its fiscal year 2022 management's discussion and analysis based on the financial results of its enterprise programs in three basic financial statements - the statement of net position; the statement of revenues, expenses and changes in net position; and the statement of cash flows. The statement of net position reports all financial and capital assets of the Authority and is presented in a format where assets equal liabilities plus net position. Net position is broken down into the following three categories:

- *Net position, invested in capital assets, net of related debt* consists of all capital assets net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.
- *Restricted net position* consists of assets that are restricted by constraints placed on the asset by external parties, such as, creditors, grantors, contributors, laws, or regulations reduced by liabilities payable from such assets.
- *Unrestricted net position* consists of net position that do not meet the definition of net position invested in capital assets, net of related debt, or restricted net position.

The statement of revenues, expenses, and changes in net position includes operating revenues, such as operating grants and rental income; operating expenses, such as administrative, utilities, maintenance, and depreciation; and nonoperating revenues and expenses, such as investment income, interest expense, capital contributions and special items, such as impairment loss on capital assets. The statement's focus is the change in net position, which is similar to net income or loss.

Finally, a statement of cash flows is included, which discloses net cash flows from operating activities, capital and related financing activities, investing activities and noncapital financing activities.

These basic financial statements utilize the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized in the period they are earned and expenses in the period they are incurred.

These financial statements represent over a dozen programs and activities. Most of these programs are financed by federal grants from HUD, rents, and other user charges resulting from operations of subsidized housing, by development and financing fees.

MANAGEMENT'S DISCUSSION AND ANALYSIS - continued

FINANCIAL ANALYSIS OF THE AUTHORITY (ENTERPRISE FUND)

The following table summarizes the changes in net position between September 30, 2022 and 2021 for the Authority as a whole:

	2022	2021	NET CHANGE	%
Cash	\$ 22,736,545	\$ 18,520,761	\$ 4,215,784	22.76%
Current Assets	1,499,757	1,346,626	153,131	11.37%
Non-current Assets	1,818,239	1,177,993	640,246	54.35%
Capital Assets - Net	38,710,433	38,698,357	12,076	0.03%
Total Assets	64,764,974	59,743,737	5,021,237	8.40%
Current Liabilities	3,092,754	2,581,238	511,516	19.82%
Non-current Liabilities	1,214,517	817,473	397,044	48.57%
Total Liabilities	4,307,271	3,398,711	908,560	26.73%
Invested in Capital Assets -net of Related Debt	38,710,433	38,729,058	(18,625)	-0.05%
Restricted Net Position	51,988	39,920	12,068	30.23%
Unrestricted Net Position	21,695,282	17,576,048	4,119,234	23.44%
Total Net Position	\$ 60,457,703	\$ 56,345,026	\$ 4,112,677	7.30%

Total assets of the Authority increased \$5,021,237 for the 2022 fiscal year due primarily to cash and net position of the Authority's pension. Cash increased approximately \$4.2 million (23%) due to lawsuit proceeds, tenant receipts in the Authority's public housing program, operating income, and HUD grants. The Authority was part of a group lawsuit against HUD and was awarded \$2.6 million. The Department of Housing and Urban Development (HUD) offset the Authority's 2011 Public Housing Operating Subsidy amount in 2011. In 2017 RRHA joined a class action lawsuit to challenge the validity of HUD's action to offset the subsidy amount. The Authority received the proceeds from the settlement in June 2022.

Funds from the Virginia Rent Relief Program (RRP) provided \$259,335 of tenant receipts. The RRP was designed to support and ensure housing stability within the commonwealth during the coronavirus pandemic. The RRP provided financial assistance through rent payments for eligible households depending on availability of funds. The program began April 1, 2020 and ended in May 15, 2022.

Current assets increased approximately 11% as a result of an increase in accounts receivable HUD and tenants. The COVID pandemic has continued to increase tenant accounts receivable during 2022.

Noncurrent assets increased 54% primarily due to changes in pension assets resulting from large gains in investment income. Capital Assets increased \$12,076 due to a handicap modifications and home purchases, which were offset by asset sales and depreciation.

Total liabilities increased 27% from the prior year due to increases in both current and non-current liabilities.

Current liabilities increased due to a large increase in Accounts Payable vendors of approximately \$500,000 due to the completion of large repair and capital improvement projects in the Public Housing program at year end. Invoices were received in October and were accrued back to September.

Non-current liabilities increased due to an increase in Deferred Inflow of Resources of over \$500,000 which was offset by decreases in Other Postemployment Benefits (OPEB) of \$65,800 and loan liabilities of \$58,808. The OPEB decrease is a result of decreases from assumption changes and differences between expected and actual experience for benefits provided to retirees.

Loan liabilities decreased due to the forgiveness of mortgage loans to homeowners. The proceeds from the mortgage loans were a liability owed to the City of Roanoke.

Total net position increased approximately \$4.1 million due to the Unrestricted Net Position increase.

Investments in Capital Assets decreased due to the sale of property in the Community Development program.

Restricted Net Position increased \$12,068 due to an increase in funding from HUD for the Housing Choice Voucher (HCV) programs. The Emergency Housing Voucher program decreased by \$39,920 by using the unspent housing assistance payments it had on hand at the end of 2021 while the HCV program received housing assistance payments of \$49,537 during 2022 which were not spent until 2023. The Emergency Housing Voucher Program (EHV) program is available through the American Rescue Plan Act (ARPA). Through EHV HUD is providing public housing authorities with 70,000 housing choice vouchers in order to assist individuals and families who are homeless or at risk of homelessness. Starting July 1, 2021 HUD provided RRHA a total of 26 vouchers to be used for this purpose. As of September 30, 2022 a total of 21 have been leased.

Unrestricted Net Position increased primarily through operating activities and the receipt of the proceeds from the lawsuit against HUD.

MANAGEMENT'S DISCUSSION AND ANALYSIS - continued

The following table summarizes the changes in operations between fiscal years 2022 and 2021 for the Authority as a whole:

	2022	2021	NET CHANGE	%
Tenant Rental Revenue	\$ 4,034,142	\$3,897,200	\$ 136,942	3.51%
HUD Operating Grants	23,129,966	21,590,879	1,539,087	7.13%
Other Revenue	(13,701)	283,549	(297,250)	-104.83%
Total Operating Revenue	27,150,407	25,771,628	1,378,779	5.35%
Operating Expenses:				
Administrative	3,341,087	3,239,792	101,295	3.13%
Tenant Services	681,014	645,111	35,903	5.57%
Utilities	2,135,387	1,903,426	231,961	12.19%
Maintenance	3,252,146	2,460,700	791,446	32.16%
Protective Services	167,801	158,185	9,616	6.08%
General Expenses	1,143,269	879,947	263,322	29.92%
Extraordinary Maintenance	525,945	614,969	(89,024)	-14.48%
Housing Assistance Payments	14,490,869	13,519,450	971,419	7.19%
Depreciation	2,169,050	2,315,059	(146,009)	-6.31%
Total Operating Expenses	27,906,568	25,736,639	2,169,929	8.43%
Operating Income/(Loss)	(756,161)	34,989	(791,150)	-2261.14%
Non-operating Revenue (Expenses):				
Investment Income/ Mortgage Interest	139	2,488	(2,349)	-94.41%
Interest Expense	-	(9,686)	9,686	-100.00%
Casualty losses	(19,000)	(36,575)	17,575	-48.05%
Gain on the Sale of Capital Assets	73,050	78,814	(5,764)	-7.31%
Non-operating Gain/(Loss)	54,189	35,041	19,148	54.64%
HUD Capital Grants	4,814,649	3,053,181	1,761,468	57.69%
Change in net position	4,112,677	3,123,211	989,466	31.68%
Beginning Net Position	56,345,026	53,221,815	3,123,211	5.87%
Equity Adjustments	-	-	-	
Total Net Position	\$ 60,457,703	\$ 56,345,026	\$ 4,112,677	7.30%

MANAGEMENT'S DISCUSSION AND ANALYSIS - continued

Total Operating Revenue increased 5.4% primarily due to an overall increase in HUD and Other government grants. Tenant Rental Revenue increased due to tenant payments which were subsidized by the Virginia Rent Relief program. HUD Operating grants increased \$1.5 million due to increased subsidy in all the federally funded programs. Other Revenue decreased 105% due to the transfer of property back to the Hotel Roanoke. The property was gifted back per an agreement the Authority entered into with the Hotel and the City of Roanoke in 1993. The recognized loss from the property transfer was offset in part by the proceeds from the lawsuit against HUD.

Total Operating expenses increased \$2.2 million due to an increase in the majority of expenses for material and contract costs due to record inflation that has been experienced in 2022 in most of the categories with the exception of extraordinary maintenance and depreciation.

Administrative expenses increased 3% due to employee salary and marketing expenses. Although the Authority has experienced significant savings due to staffing shortages, the savings have been offset by an increase in wages that resulted from a compensation study completed and implemented in 2022.

Tenant Services expenses increased 6% due to salaries and benefits, tenant relocation costs, and other services related to the Emergency Housing Voucher Program and Jobs Plus Rent incentives.

Utility costs increased 12% in all categories due to rising vendor rates.

Maintenance expenses increased \$791,446 due to increases in salary and benefits, materials, grounds care, plumbing, unit turnarounds, and routine maintenance. Vendor rates have significantly increased in 2022. Both plumbing and routine maintenance increased over \$200,000 each.

Protective Services increased 6% due to installation of more cameras at additional public housing sites. The Authority is in the process of installing more sophisticated cameras at its public housing developments which caused a decline in the need for police patrols.

General Expenses increased 30% primarily due to the compensated absences benefit which increased \$121,125 and bad debt- tenants which increased \$125,000.

Extraordinary Maintenance decreased 14% due to a decrease non-routine repairs in maintenance of Public Housing sites.

Housing Assistance Payments increased \$971,419 due to an increase in units and costs per unit.

Depreciation decreased 6% due to the disposal of obsolete software at the end of 2021 and disposal of several homes through various homeownership programs.

An increase in operating expenses relative to the increased operating revenues caused an overall operating loss of \$756,161.

Investment income decreased 94% due to the expiration of the interest earned on funds related to the OFFP program which held funds in interest bearing accounts in 2021.

Interest Expense decreased 100% due to the expiration of interest due on the OFFP note paid off in April 2021. No additional notes were initiated in 2022.

Casualty losses decreased 48% due to more auto and fire damages in the public housing program in 2021 than 2022.

The Authority sold a house for the homeownership program in Public Housing in 2022 which resulted in a gain of \$73,050.

The Authority's overall increase in Net Position for 2022 is a result of increased HUD funding over the 2021 levels.

CAPITAL ASSET AND DEBT ADMINISTRATION**Capital Assets:**

The following table summarizes the changes in capital assets between September 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>	<u>Net Change</u>	<u>Variance</u>
Land	\$ 14,469,593	\$ 17,075,560	\$ (2,605,967)	-15.26%
Infrastructure	3,109,317	3,109,317	-	0.00%
Buildings and Improvements	82,853,858	80,427,421	2,426,437	3.02%
Furniture and Equipment	3,400,671	3,404,002	(3,331)	-0.10%
Construction in Progress	12,833,961	10,528,155	2,305,806	21.90%
Total	116,667,400	114,544,455	2,122,945	1.85%
Accumulated Depreciation	(77,956,967)	(75,846,098)	(2,110,869)	2.78%
Net Capital Assets	<u>\$ 38,710,433</u>	<u>\$ 38,698,357</u>	<u>\$ 12,076</u>	<u>0.03%</u>

Variances in capital assets were due to Public Housing modernization projects through the HOTMA program and capital funds.

Debt Administration:

- *City of Roanoke Loans* - the Authority entered into an agreement with the City of Roanoke to finance a portion of home rehabilitation loans. The outstanding balance owed to the City of Roanoke was \$0 at September 30, 2022.

Economic Factors

The Authority continues to face uncertainties regarding the subsidized funding levels provided by HUD for its assisted housing programs. These uncertainties have both an immediate and long range impact on the operations of the Authority. In 2022 the Authority received 87% of its funding from HUD.

For the 2022 calendar year, HUD funded Public Housing operating subsidy requests at 104.93% of the eligible amounts.

For the 2021 calendar year, HUD funded Public Housing operating subsidy requests at 96.74% of the eligible amounts.

In the last twenty years, Public Housing Agencies have only been fully funded three times, which was 2002, 2010, and 2022.

The Capital Fund program funding continues to fall short of the Authority's annual capital needs which are prioritized and addressed according to urgency and available funding.

The Housing Choice Voucher (HCV) program HAP funding was 100.00% for calendar year 2022. This is the same as 2021. HCV Administrative fees were funded at 89.55% for calendar year 2022, 84.70% for 2021, and 80.00% for 2020.

In addition to the uncertainties of federal funding for the 2022 fiscal year, the Authority also faces the challenge of escalating management costs for their programs. RRHA's management staff continues to closely monitor these programs and seek out innovative cost reduction measures to fulfill its mission.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide a general overview of the Authority's finances for all those interested. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the VP of Finance/CFO, Roanoke Redevelopment & Housing Authority, 2624 Salem Turnpike, NW, Roanoke, VA 24017 or visit our website at www.rkehousing.org.

BASIC FINANCIAL STATEMENTS

DRAFT

Roanoke Redevelopment and Housing Authority
Statement of Net Position
September 30, 2022

	<u>Enterprise Fund</u>	<u>Component Units</u>	<u>Total Reporting Entity</u>
CURRENT ASSETS:			
Cash and cash equivalents	\$ 21,211,033	741,551	21,952,584
Accounts receivable - other	953,443	-	953,443
Accounts receivable - tenants, net	203,427	44,346	247,773
Prepaid expenses	342,887	33,397	376,284
Total current assets	<u>22,710,790</u>	<u>819,294</u>	<u>23,530,084</u>
RESTRICTED ASSETS:			
Cash and cash equivalents	<u>1,525,512</u>	<u>598,935</u>	<u>2,124,447</u>
Total restricted assets	<u>1,525,512</u>	<u>598,935</u>	<u>2,124,447</u>
NONCURRENT ASSETS:			
Land, structures and equipment net of accumulated depreciation	<u>38,710,433</u>	<u>13,822,320</u>	<u>52,532,753</u>
Total fixed assets, net	<u>38,710,433</u>	<u>13,822,320</u>	<u>52,532,753</u>
Notes & mortgages receivable, non-current	451,035	-	451,035
Other assets	<u>1,074,467</u>	<u>-</u>	<u>1,074,467</u>
Total assets	<u>64,472,237</u>	<u>15,240,549</u>	<u>79,712,786</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows	<u>292,737</u>	<u>-</u>	<u>292,737</u>
Total deferred outflows of resources	<u>292,737</u>	<u>-</u>	<u>292,737</u>
Total assets and deferred outflows of resources	<u>\$ 64,764,974</u>	<u>15,240,549</u>	<u>80,005,523</u>

Roanoke Redevelopment and Housing Authority
Statement of Net Position
September 30, 2022

	<u>Enterprise Fund</u>	<u>Component Units</u>	<u>Total Reporting Entity</u>
CURRENT LIABILITIES:			
Accounts payable	\$ 1,377,397	32,346	1,409,743
Accrued wages and payroll taxes	116,062	-	116,062
Accrued compensated absences	122,575	-	122,575
Accrued interest	-	9,743	9,743
Accrued liability - other	24,035	-	24,035
Tenant security deposits	157,061	30,000	187,061
Notes payable, current portion	-	94,466	94,466
Unearned revenues	1,137,373	30,061	1,167,434
Other current liabilities	<u>158,251</u>	<u>515</u>	<u>158,766</u>
Total current liabilities	<u>3,092,754</u>	<u>197,131</u>	<u>3,289,885</u>
NONCURRENT LIABILITIES:			
Notes payable, excluding current portion	-	6,810,715	6,810,715
Other liabilities	<u>640,925</u>	<u>1,283,301</u>	<u>1,924,226</u>
Total noncurrent liabilities	<u>640,925</u>	<u>8,094,016</u>	<u>8,734,941</u>
Total liabilities	<u>3,733,679</u>	<u>8,291,147</u>	<u>12,024,826</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflows	<u>573,592</u>	<u>-</u>	<u>573,592</u>
Total deferred inflows of resources	<u>573,592</u>	<u>-</u>	<u>573,592</u>
NET POSITION:			
Invested in capital assets, net	38,710,433	6,959,674	45,670,107
Restricted	51,988	568,029	620,017
Unrestricted	<u>21,695,282</u>	<u>(578,301)</u>	<u>21,116,981</u>
Total net position	<u>60,457,703</u>	<u>6,949,402</u>	<u>67,407,105</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 64,764,974</u>	<u>15,240,549</u>	<u>80,005,523</u>

Roanoke Redevelopment and Housing Authority
Statement of Revenues, Expenses, and Changes
in Net Position
For the Year Ended September 30, 2022

	Enterprise <u>Fund</u>	Component <u>Units</u>	Total Reporting <u>Entity</u>
Operating revenues:			
Tenant revenue	\$ 4,034,142	1,032,405	5,066,547
HUD operating grants	23,129,966	-	23,129,966
Other government grants	167,950	-	167,950
Proceeds from the disposition of assets held for sale	-	-	-
Cost of sale of assets	(3,067,914)	-	(3,067,914)
Other revenue	<u>2,886,263</u>	<u>12,784</u>	<u>2,899,047</u>
Total operating revenue	<u>27,150,407</u>	<u>1,045,189</u>	<u>28,195,596</u>
Operating expenses:			
Administrative salaries	1,847,352	17,088	1,864,440
Other administrative expenses	1,493,735	110,837	1,604,572
Tenant / community services	681,014	-	681,014
Utility expense	2,135,387	56,672	2,192,059
Maintenance salaries	723,015	4,702	727,717
Maintenance other	2,529,131	188,320	2,717,451
Contract / protective services	167,801	7,305	175,106
Insurance	342,495	82,839	425,334
Other general expenses	269,683	-	269,683
Bad debt	379,371	27,168	406,539
Extraordinary maintenance	525,945	16,652	542,597
Payments in lieu of taxes	151,720	110,892	262,612
Housing assistance payments	14,490,869	-	14,490,869
Depreciation	<u>2,169,050</u>	<u>677,922</u>	<u>2,846,972</u>
Total operating expenses	<u>27,906,568</u>	<u>1,300,397</u>	<u>29,206,965</u>
Operating income (loss)	<u>(756,161)</u>	<u>(255,208)</u>	<u>(1,011,369)</u>
Non-operating revenues (expenses):			
Investment income / mortgage interest	139	113	252
Interest expense	-	(124,957)	(124,957)
Gain (Loss) on sale of fixed assets	73,050	-	73,050
Casualty losses	<u>(19,000)</u>	<u>-</u>	<u>(19,000)</u>
Total non-operating revenues (expenses)	<u>54,189</u>	<u>(124,844)</u>	<u>(70,655)</u>
Gain (Loss) before capital grants	(701,972)	(380,052)	(1,082,024)
Capital grants	<u>4,814,649</u>	<u>-</u>	<u>4,814,649</u>
Change in net position	4,112,677	(380,052)	3,732,625
Total net position, beginning	<u>56,345,026</u>	<u>7,329,454</u>	<u>63,674,480</u>
Total net position, end of year	<u>\$ 60,457,703</u>	<u>6,949,402</u>	<u>67,407,105</u>

Roanoke Redevelopment and Housing Authority
Statement of Cash Flows - All Enterprise Funds
For the Year Ended September 30, 2022

Cash Flows from Operating Activities:

Receipts from tenants	\$ 3,981,253
Receipts operating grants and subsidies	23,173,590
Other receipts (payments)	2,025,661
Payments to suppliers and employees	<u>(24,642,104)</u>

Net cash flows provided by operating activities	<u>4,538,400</u>
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Cash Flows from Capital and Related Financing Activities:

Purchases of capital assets	(5,272,844)
Disposal of capital assets	101,890
Capital grant contributions	4,814,649
Gain(Loss) on sale of capital assets	73,050
Casualty losses	<u>(19,000)</u>

Net cash flows used in capital and related financing activities	<u>(302,255)</u>
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Cash Flows from Investing Activities:

Advances of notes receivable	(20,500)
Interest and dividends	<u>139</u>

Net cash flows provided by investing activities	<u>(20,361)</u>
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Net increase in cash	4,215,784
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Cash at beginning of year	<u>18,520,761</u>
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Cash at end of year	<u>\$ 22,736,545</u>
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Roanoke Redevelopment and Housing Authority
Statement of Cash Flows (continued) - All Enterprise Funds
For the Year Ended September 30, 2022

Reconciliation of operating income to cash provided by
operating activities

Operating income	\$ (756,161)
Items which did not provide (use) cash:	
Depreciation	2,169,049
Disposal of fixed assets	2,989,829
Bad debt	379,371
Deferred Outflows of Resources	112,048
Deferred Inflows of Resources	535,091
Working capital changes which provided (used) cash:	
Accounts receivable - tenants	(432,258)
Accounts receivable - other	(124,326)
Other assets	(790,602)
Unearned revenue	(9,894)
Prepaid expenses	(6,619)
Assets held for sale	30,701
Accounts payable- HUD	-
Accounts payable	452,001
Accrued expenses	37,169
Other liabilities	(79,239)
Tenant security deposits	(40)
Other current liabilities	<u>32,280</u>
Net cash provided by operating activities	<u>\$ 4,538,400</u>

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements

For the Year Ended September 30, 2022

1. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The financial statements of the Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Authority is a Special Purpose Government engaged only in business-type activities and therefore, presents only the financial statements required for the enterprise fund.

The Authority has multiple programs which are accounted for as one business type activity for financial reporting purposes which are presented as the "enterprise fund" in the basic financial statements as follows:

Enterprise Fund – In accordance with the Enterprise Fund Method, activity is recorded using the accrual basis of accounting, and the measurement focus is on the flow of economic resources. Under the accrual basis of accounting revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. This required the Housing Authority to account for operations in a manner similar to private business or where the Board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

Governmental Accounting Standards – The Housing Authority has applied all applicable pronouncements issued by the Governmental Accounting Standards Board as well as pronouncements issued by the Financial Accounting Standards Board on or before November 30, 1989, and those issued after November 30, 1989 except where they conflict with or contradict Governmental Accounting Standards Board pronouncements.

B. Cash

The Authority considers cash on hand and cash in checking to be cash equivalents. Cash on hand is not included in the calculation of collateral required.

C. Accounts Receivable

Rents are due from tenants on the first day of each month. As a result, tenants receivable balances primarily consist of rents past due.

An allowance for doubtful accounts is established to provide for all accounts that may not be collected in the future for any reason.

D. Prepaid Items

Prepaid items consists of payments made to vendors for services that will benefit future periods.

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets Held for Resale

These assets consist of foreclosure homes, rental and commercial properties. The foreclosure homes and rental properties are listed at actual cost while the commercial property is listed at actual cost less impairment.

F. Unearned Revenue

The Authority recognizes revenues as it is earned. Revenue received in advance of the period in which it is earned is recorded as a liability under deferred revenue.

G. Revenue Accounting Policies

Dwelling rental income, HUD Grants received for operations, other operating fund grants and operating miscellaneous income are shown as operating income. HUD grants received for capital assets and all other revenue are shown as non-operating income. The financial statements do not contain material inter-fund revenues and expenses for internal activity. The policy is to eliminate any material inter-fund revenues and expenses for these financial statements.

H. Property and Equipment

Property and equipment are recorded at cost. The capitalization threshold for non-infrastructure capital assets including machinery and equipment is \$5,000. The capitalization threshold for infrastructure related capital assets and any improvements that extend the useful life of the asset is \$50,000. All costs associated with the purchase or construction are considered for capitalization, including interest. Maintenance and repair costs are expensed while significant betterments are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets and is expensed in the Statement of Revenues, Expenses, and Changes in Net Position. Estimated useful lives are as follows:

Dwellings and improvements	15-40 years
Furniture, equipment, and machinery	5 years
Infrastructure	30 years

I. Long-lived Assets

The Authority evaluates the carrying value of long-lived assets. When indications of an impairment are present, the recoverability of the carrying value of the assets in question are assessed based on the future undiscounted cash flows expected to result from their use. If the carrying value cannot be recovered, impairment losses are recognized to the extent the carrying value exceeds fair value.

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Deferred Outflows/Inflows of Resources (continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

K. Change in Accounting Principles

On September 30, 2022, the Authority implemented the Governmental Accounting Standards Boards (GASB) Statement No 87, Leases. GASB Statement 87 enhances the relevance and consistency of information of the Authority's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. These changes were reviewed for the Authority's September 30, 2022 financial statements and had no effect on the beginning net position of the Authority. The Authority did not have any leases that rose to an amount that required disclosure. The Authority will review new leases annually to determine proper disclosure.

2. REPORTING ENTITY DEFINITION

The Roanoke Redevelopment and Housing Authority (the Authority or RRHA) was created by the City of Roanoke in 1949 under the provisions of the United States Housing Act of 1937. The Authority is governed by a seven member board of commissioners which are appointed by Roanoke's City Council for staggered four year terms. The Board elects a chairman and employs an Executive Director to administer the affairs of the Authority.

The Authority is a separate political subdivision of the State of Virginia. The Authority has complete legislative and administrative authority over its affairs and recruits and employs personnel. The Authority has substantial legal authority to control its affairs without local government approval therefore all operations of the Authority are a separate reporting entity as reflected in this report.

The Authority adopts an annual budget that is approved by the Board of Commissioners. Subsidies are received primarily from the Department of Housing and Urban Development (HUD). The Authority is responsible for its debts and is entitled to surpluses.

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying certain criteria. These criteria include manifestation of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although the primary organization is not financially accountable. Based upon the application of these criteria, the reporting entity includes the following component units:

2. REPORTING ENTITY DEFINITION (continued)

Discretely Presented Component Units

Roanoke Valley Housing Corporation (RVHC) - was created as a not-for-profit affiliate organization of the Authority and incorporated in 1995. RVHC was created to assist the Authority in its mission to provide affordable housing to low-income families in the City of Roanoke, (the City). Roanoke Valley Housing Corporation is the sole member of the general partner of Stepping Stone, LP, Indian Village, LP, Park Street Housing, LP, and Hurt Park, LP.

Stepping Stone, Limited Partnership (SSLP) The Authority has significant influence over the general partner, Stepping Stone Apartments, LLC, of a real estate limited partnership (SSLP) that has significant financial relationships with the Authority. The Authority has certain rights and responsibilities which enable it to impose its will on the limited partnership due to the significant influence over the general partner and financial relationships with the partnership.

The limited partnership was formed for the purpose of constructing 15 duplex units at the Villages at Lincoln. The Authority applied for and received an allocation of low-income housing tax credits from the Virginia Housing Development Authority. On November 10, 2003, the Authority conveyed 15 vacant lots to SSLP and construction began in August 2004. RVHC acted as the developer on this project which was completed in October 2005. Marketing for Stepping Stone Apartments began in January 2005 and rental of the duplex units to tenants began in March 2005.

The responsibility for management of the affairs of the limited partnership, and the ongoing management of Stepping Stone Apartments is vested with Stepping Stone Apartments, LLC. The Authority has entered into a fifteen-year agreement with SSLP to manage the thirty units over the life of the tax credit compliance period. The limited partnership's December 31, 2021 year-end financial statements are included within the Authority's basic financial statements. Inquiries regarding the limited partnership should be directed to the VP of Finance of Roanoke Redevelopment and Housing Authority, 2624 Salem Turnpike N.W., Roanoke, VA 24017.

Indian Village, Limited Partnership (IVLP) The Authority has significant influence over the general partner, Indian Village, LLC, a real estate limited partnership (IVLP) that has significant financial relationships with the Authority. The Authority has certain rights and responsibilities which enable it to impose its will on the limited partnership due to the significant influence over the general partner and financial relationships with the partnership.

The limited partnership was formed for the purpose of constructing and operating 24 apartment units. The Authority applied for and received low-income housing tax credits from the Virginia Housing Development Authority on March 11, 2005. Construction on the project began in June 2006 with RVHC as the developer and was completed in January 2008.

2. REPORTING ENTITY DEFINITION (continued)

Discretely Presented Component Units (continued)

The responsibility for management of the affairs of the limited partnership, and the ongoing management of Hillcrest Heights Town Homes is vested with Indian Village, LLC. The Authority has entered into a fifteen year agreement with IVLP to manage the twenty-four units over the life of the tax credit compliance period. The limited partnership's December 31, 2021 year end financial statements are included within the Authority's basic financial statements. Inquiries regarding the limited partnership should be directed to the VP of Finance of Roanoke and Redevelopment and Housing Authority, 2624 Salem Turnpike N.W., Roanoke, VA 24017.

Park Street Housing, Limited Partnership (PSLP) The Authority has significant influence over the general partner, Park Street Housing Development, LLC, a real estate limited partnership (PSLP) that has significant financial relationships with the Authority. The Authority has certain rights and responsibilities which enable it to impose its will on the limited partnership due to the significant influence over the general partner and financial relationships with the partnership.

The limited partnership was formed for the purpose of constructing and operating 25 apartment units. The Authority applied for an allocation of low income housing tax credits from the Virginia Housing Development Authority on March 11, 2005. Construction on the project began in April 2006 with RVHC as the developer and was completed in December 2007.

The responsibility for management of the affairs of the limited partnership, and the ongoing management of Park Street Square is vested with Park Street Housing Development, LLC. The Authority has entered into a fifteen year agreement with PSLP to manage the twenty-five units over the life of the tax credit compliance period. The limited partnership's December 31, 2021 year end financial statements are included within the Authority's basic financial statements. Inquiries regarding the limited partnership should be directed to the VP of Finance of Roanoke and Redevelopment and Housing Authority, 2624 Salem Turnpike N.W., Roanoke, VA 24017.

Hurt Park, Limited Partnership (HPLP) The Authority has significant influence over the general partner, Hurt Park, LLC, a real estate limited partnership (Hurt Park, LP) that has significant financial relationships with the Authority. The Authority has certain rights and responsibilities which enable it to impose its will on the limited partnership due to the significant influence over the general partner and financial relationships with the partnership.

The limited partnership was formed for the purpose of constructing and operating 40 apartment units. The Authority applied for and received low-income housing tax credits from the Virginia Housing Development Authority. Construction on the project began in 2007 with RVHC as the developer and was completed in May 2009.

2. REPORTING ENTITY DEFINITION (continued)

Discretely Presented Component Units (continued)

Hurt Park, Limited Partnership (HPLP) (continued) The responsibility for management of the affairs of the limited partnership is vested with the general partner. The limited partnership's December 31, 2021 year end financial statements are included within the Authority's basic financial statements. Inquiries regarding the limited partnership should be directed to the VP of Finance of Roanoke and Redevelopment and Housing Authority, 2624 Salem Turnpike N.W., Roanoke, VA 24017.

3. CASH AND INVESTMENT DEPOSITS

The U.S. Department of Housing and Urban Development, (HUD) requires that deposits be fully collateralized at all times. Acceptable collateralization includes FDIC/FSLIC insurance and the market value of securities purchased and pledged to the political subdivision. Pursuant to HUD restrictions, obligations of the United States are allowed as security deposits. Obligations furnished as security must be held by the Authority or with an unaffiliated bank or trust company for the account of the Authority.

It is the Authority's policy to maintain collateralization in accordance with state and HUD requirements.

Deposits: The three credit risk categories are:

1. Insured or collateralized with securities held by the entity or by its agent (correspondent bank or Federal Reserve bank) in the entity's name.
2. Collateralized with securities held by the pledging financial institution trust department or agent in the entity's name.
3. Uncollateralized or collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the entity's name.

As of September 30, 2022, the carrying amount of the Enterprise fund's cash and cash equivalents (including restricted cash) was \$22,736,545. All funds are covered by the federal depository insurance or by collateral held by the Authority's agent in the Authority's name. The Authority is authorized by HUD to invest in time deposits, certificates of deposits and obligations of the U.S. Treasury.

4. CONTRACTUAL COMMITMENTS

The Authority had Total Outstanding Contractual Commitments of \$7,807,836 as of September 30, 2022.

5. RISK MANAGEMENT

The Authority is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority carries commercial insurance for all risks of loss, including workman's compensation. The Authority established a risk management program for employee's group health insurance in 1995. The Authority has not had any significant reductions in insurance coverage or any claims not reimbursed.

6. CONCENTRATION OF RISK

The Authority receives most of its funding from HUD. These funds and grants are subject to modification by HUD depending on the availability of funding.

7. SIGNIFICANT ESTIMATES

The financial statements include some amounts that are based on management's best estimates and judgments. The most significant estimates relate to depreciation and useful lives of assets and to reserves for uncollectibility of notes and mortgages receivable. These estimates may be adjusted as more current information becomes available, and any adjustment could be significant.

8. PENSION PLAN

The Authority became a member of the Virginia Retirement System (VRS) on January 1, 2012. VRS is the administrator of governmental retirement plans qualified under Section 401(a) of the Internal Revenue Code. It is governed by the provisions of Title 51.1 of the Code of Virginia. Changes to the law can be made only by an act of the General Assembly. VRS is an independent state agency and as provided in the Constitution of Virginia, its funds are separate from other state funds and can be used only to administer and pay benefits for members, retirees and beneficiaries.

The VRS plan for political subdivisions is an agent, multiple-employer defined benefit pension plan with separate cost-sharing pools for each locality and is administered by the Virginia Retirement System. All full-time permanent employees are required to enroll in the VRS upon employment. The Authority also offers enrollment in the VRS defined contribution plan on a voluntary basis for full time and part time employees; temporary and contract employees are not eligible to participate in either plan.

8. PENSION PLAN (continued)

The defined benefit plan provides a lifetime monthly benefit during retirement based on retirement multiplier as a percentage of the member's average 60 consecutive months of highest compensation multiplied by the member's total service credit. The retirement multiplier for the Authority employees (considered non-hazardous duty members) is 1.7% for Plan 1 and Plan 2 members and 1.0% for Hybrid members. Plan 2 members retirement multiplier changes to 1.65% for service beginning January 1, 2013. Benefits vest after five years of service credit. Members earn one month of service credit for each month employed and for which they and the Authority paid contributions to VRS. The VRS administers three benefit structures for political subdivision employees - Plan 1, Plan 2, and Hybrid. The Authority employees are covered under Plan 2 (members joined on July 1, 2010 or later) or the Hybrid Plan (all members joined on January 1, 2014 or later). Members are eligible for unreduced benefits beginning at their normal Social Security retirement age with at least five years of service credit or when the sum of their age and service equals 90. They may retire with a reduced benefit as early as age 60 with at least five years of service credit.

Active Plan 2 members are required to contribute 5% of their creditable compensation per year. Active Hybrid members are required to contribute 4% of their creditable compensation to the defined benefit plan and 1% to the defined contribution component of the Hybrid Plan. The Authority's required contribution rate for July 1, 2020 through June 30, 2022 is 5.20%. The required contribution rate is actuarially determined based on the Authority's employee population, covered payroll, and the benefits the Authority elected to provide to its employees. The contribution requirement for active employees is governed by the Code of Virginia but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly.

Members of VRS also have benefit coverage in the form of life insurance, disability coverage, long-term care benefits, and survivor/beneficiary benefits.

The Cost-of-Living Adjustment (COLA) is deferred for one full calendar year after the member reaches unreduced retirement age. The deferred COLA does not apply to members who retire with twenty or more years of service. Members of all plans qualify for COLA on July 1 of the second calendar year after retirement.

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

8. PENSION PLAN (continued)

Actuarial Assumptions

The Authority's total pension liability was determined by applying certain procedures to the actuarial valuation as of June 30, 2021. The actuarial valuation used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Pay, Closed
Payroll Growth Rate	3% / year
Remaining Amortization Period	14-23 years (decreasing by one each year in subsequent valuations until reaching 0 years)
Asset Valuation Method	5-Year, Smoothed Market
Investment Rate of Return*	6.75% / year
Inflation Assumption	2.50% / year
Projected Salary Increases*	
1) Non-LEO Members	3.50% To 5.35%
Cost-of-Living adjustment	
1) Plan 1 Members	2.50%
2) Plan 2 Members	2.25%
Marriage Assumption	100% of active employees are assumed to be married, with males two years older than females
Election of Deferred Termination Benefit	Terminating members are assumed to elect a return of contributions or a deferred annuity, whichever is most valuable at the time of termination. Termination benefits are assumed to commence at normal retirement.
Service Related Disability	Service related disability benefits do not include an adjustment for Social Security or Worker's Compensation benefits
Mortality Rates	15% of deaths are assumed to be service related
1) Pre-Retirement	Pub-2010 Amount Weighted General Employee Rates projected generationally; males set forward 2 years; 105% of rates for females set forward 3 years
2) Post-Retirement	Pub-2010 Amount Weighted General Healthy Retiree Rates projected generationally; 95% of rates for males set forward 2 years; 95% of rates for females set forward 1 year
3) Post-Disablement	Pub-2010 Amount Weighted General Disabled Rates projected generationally; 110% of rates for males set forward 3 years; 110% of rates for females set forward 2 years
4) Beneficiaries & Survivors	Pub-2010 Amount Weighted General Contingent Annuitant Rates projected generationally
5) Mortality Improvement	Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates

* Includes Inflation of 2.50%

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

8. PENSION PLAN (continued)

Summary Table of Membership Statistics, Asset Values, and Contribution Rates

	June 30, 2021	June 30, 2020
1. Participants		
a. Actives	67	63
b. Transfers Out	11	8
c. Retirees and Beneficiaries	13	10
d. Retirees and Beneficiaries Elsewhere	-	-
e. LTD	-	-
f. Inactive, Vested	9	6
g. Inactive, Nonvested	112	99
Total	212	186
2. Covered Payroll	2,934,121	2,696,680
3. Expected Retirement Benefits	105,576	84,100
4. Assets		
a. Market Value of Assets	4,680,485	3,564,957
b. Actuarial Value of Assets	4,174,435	3,671,707
5. Actuarial Accrued Liability	3,627,237	3,219,569
6. Funded Ratio		
a. Market Value of Assets	127.46 %	110.73 %
b. Actuarial Value of Assets	113.68 %	114.04 %
7. Unfunded Actuarial Accrued Liability	(502,198)	(452,138)
8. Normal Cost Rate		
a. Gross Normal Cost Rate	9.05 %	9.11 %
b. Member Contribution Rate	4.31 %	4.38 %
c. Employer Normal Cost Rate (8a-8b)	4.74 %	4.73 %
9. Recommended Employer Contribution Rate for		Informational
Fiscal Year Ending	2023 & 2024	Purposes Only
a. Employer Normal Cost Rate	4.74 %	4.73 %
b. Amortization Charge	(1.27) %	(1.21) %
c. Administrative Expenses	0.08 %	0.08 %
d. DC Match	- %	- %
e. Total(9a+9b+9c (not less than zero)+ 9d)	3.55 %	3.60 %
10. Amortization Period	13-22	14-23

Normal Cost

	June 30, 2021	June 30, 2020
1. Normal Cost as Percent of Payroll		
a. Retirement Benefits	4.66 %	5.29 %
b. Termination Benefits	2.88 %	2.03 %
c. Disability Benefits	1.28 %	1.55 %
d. Death Benefits	0.23 %	0.24 %
e. Total	9.05 %	9.11 %
2. Covered Payroll	2,934,121	2,696,680

8. PENSION PLAN (continued)**Discount Rate**

The discount rate applied in the measurement of the total pension liability was 6.75%. The discount rate determination does not use a municipal bond rate for the Roanoke Redevelopment and Housing Authority. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board and the member rate. The long-term expected rate of return on pension system investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension system investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation.

Long-Term (LT) Expected Rate of Return

The long-term expected rate of return on pension system investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension system investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Arithmetic LT Expected Real Rate of Return</u>
Public Equity	34.00 %	5.00 %
Fixed Income	15.00 %	0.57 %
Credit Strategies	14.00 %	4.49 %
Real Assets	14.00 %	4.76 %
Private Equity	14.00 %	9.94 %
MAPS-Multi-Asset Public Investment Strategies	6.00 %	3.29 %
PIP-Private Investment Partnerships	3.00 %	6.84 %
	<u>100.00 %</u>	

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

8. PENSION PLAN (continued)

Sensitivity Analysis

GASB 68 requires disclosure of the sensitivity of the net pension liability to changes in the discount rate. The net pension liability was calculated using a discount rate of 6.75%. The table below presents the net pension liability calculated using the current discount rate of 6.75%, as well as 5.75% (1 percentage point lower), and 7.75% (1 percentage point higher).

	1.0% Decrease (5.75%)	Current Discount (6.75%)	1.0% Increase (7.75%)
Net Pension Liability	\$ (603,477)	\$ (1,009,718)	\$ (1,348,121)

Changes in Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension Liability (a)-(b)
Balance at June 30, 2020	\$ <u>3,321,400</u>	\$ <u>3,564,957</u>	\$ <u>(243,557)</u>
Changes for the year:			
Service Cost	238,946	-	238,946
Interest	220,036	-	220,036
Benefit changes	-	-	-
Difference between expected and actual experience	(108,705)	-	(108,705)
Changes in assumptions	122,300	-	122,300
Contributions - employer	-	118,472	(118,472)
Contributions - employee	-	121,760	(121,760)
Net investment income	-	1,000,722	(1,000,722)
Benefit payments, including refund of employee contributions	(123,210)	(123,210)	-
Administrative expense	-	(2,312)	2,312
Other changes	-	96	(96)
	<u>349,367</u>	<u>1,115,528</u>	<u>(766,161)</u>
Balance at June 30, 2021	\$ <u>3,670,767</u>	\$ <u>4,680,485</u>	\$ <u>(1,009,718)</u>

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

8. PENSION PLAN (continued)

Roll Forward of the Total Pension Liability

	<u>Actual</u>	<u>Actual Before Assumption Changes</u>	<u>Expected</u>
(a) TPL as of June 30, 2020	\$ 3,324,284	\$ 3,219,569	\$ 3,321,400
(b) Entry age normal cost for the period June 30, 2020-June 30, 2021	233,689	233,837	223,837
(c) Actual benefit payments and refunds for the period June 30, 2020-June 30, 2021	123,210	123,210	123,210
(d) Changes in benefit terms	-	-	-
(e) TPL as of June 30, 2021 = (((a)+(b))*(1.07))-((c)*(1.035))+(d)	\$ 3,670,767	\$ 3,548,467	\$ 3,657,172
(f) Changes in Assumptions		122,300	
(g) Difference between expected and actual experience			\$ (108,705)

Changes in actuarial assumptions and methods

There were no changes in assumptions or other inputs that affected the measurement of the Total Pension Liability.

Changes in benefit terms

There have been no changes in benefit terms since the previous measurement date.

Deferred Inflows and Outflows

At September 30, 2022, the employer reported deferred outflows of resources and deferred inflows of resources as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 28,342	\$ 67,286
Changes of assumptions	78,895	-
Net differences between projected and actual earnings on plan investments	-	506,306
Employer contributions subsequent to the measurement date	185,500	-
Total	<u>\$ 292,737</u>	<u>\$ 573,592</u>

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

8. PENSION PLAN (continued)

Amortization of Deferred (Inflows) and Outflows of Resources

Year ended June 30:	
2023	\$ (80,790)
2024	(116,051)
2025	(118,268)
2026	(151,244)
2027	-
Thereafter	-

Pension Expense

	June 30, 2021
Service Cost	\$ 238,946
Interest on the total pension liability	220,036
Current period benefit changes	-
Expensed portion of current period difference between expected and actual experience in the total pension liability	(48,966)
Expensed portion of current period changes of assumptions	55,090
Member contributions	(121,760)
Projected earnings on plan investments	(244,510)
Expensed portion of current period differences between actual and projected earnings on plan investments	(151,242)
Administrative expense	2,312
Other	(96)
Recognition of beginning deferred outflows of resources as pension expense	109,927
Recognition of beginning deferred inflows of resources as pension expense	<u>(56,647)</u>
Pension expense	\$ <u>3,090</u>

Comprehensive annual financial reports that include financial statements and required supplementary information for the plan are available by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500 or from the VRS via web site at <http://www.varetire.org/Pdf/Publications/2021-annual-report.pdf>.

Individual reports on the actuarial valuation of the VRS plan relevant to the RRHA are available by writing the VP of Finance/CFO, Roanoke Redevelopment & Housing Authority at 2624 Salem Turnpike, NW, Roanoke, VA, 24017.

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

9. COMPENSATED ABSENCES

The Authority currently provides its employees paid time off (PTO) at various rates that are determined by tenure with the Authority. Upon voluntary termination from the Authority, an employee will be paid for any unused PTO balances up to 75 hours. Unused PTO balances of 75 hours or less are accrued as of September 30, 2022 and carried as a liability by the Authority.

Full time employees are eligible for an Extended Illness Bank which is funded only by employee contributions if the employee was hired after November 1, 2018, or funded by carryover from Limited Supplement balances and employee contributions if the employee was hired before November 1, 2018. The Extended Illness bank is expensed as used but not accrued.

10. ACCOUNTS RECEIVABLE

Accounts Receivable - Tenants

Accounts receivable - tenants for the Enterprise fund are shown at gross of \$1,008,054 less an allowance for doubtful accounts of \$804,627 for the year ended September 30, 2022.

Accounts Receivable - Other

Accounts Receivable - Other, consists of following:

	Enterprise Fund
Accounts receivable - HUD	\$ 752,237
Accounts receivable - fraud recovery	376
Account receivable - City of Roanoke	23,193
Accounts receivable - management & development fees	7,363
Accounts receivable - miscellaneous	170,274
	<u>\$ 953,443</u>

11. INTERPROGRAM ACTIVITY

The Authority manages a number of various programs. Due to a delay in HUD funding, some program charges may be paid by a parent program and subsequently reimbursed by the related grant when they are funded by HUD. Balances due for such charges are reflected in the Interprogram Due to/Due from account. Due from account balances. Interprograms at September 30, 2022 consisted of the following:

Low rent and Capital Fund Program	\$ 19,335
ROSS	(62)
Housing Choice Vouchers	5,999
PIH Family Self Sufficiency	(11,998)
Jobs Plus Fund	(13,274)
	<u>\$ -</u>

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

12. RESTRICTED CASH

The Authority's restricted cash consists of the following as of the end of the fiscal year:

	Enterprise Fund
Restricted for HAP Payments	\$ 1,099,412
Restricted for Tenant Security	157,061
Restricted for Tenant Services	4,324
Restricted for FSS Escrow	136,946
Restricted for Payment of Current Liability	127,769
	<u>\$ 1,525,512</u>

13. NOTES AND MORTGAGES RECEIVABLE

Notes and mortgages receivable at September 30, 2022 are as follows:

The Authority has a lease/purchase program for prospective homeowners. The purchasers of the homes finance their mortgages through banks, grants from other organizations and occasionally soft second mortgages from the Authority. These soft second mortgages are secured through deeds of trust and deferred purchase money notes bearing zero interest.

\$ 92,500

Note receivable from Park Street, LP includes an operating deficit general partner loan of \$42,535 with interest being waived. Full balance due on May 1, 2042.

42,535

Note receivable from Hurt Park, LP payable in full on February 5, 2045 with interest being waived and not forgiven. No principal due until payoff date.

316,000

Total
Less: current portion
Notes receivable, excluding current portion

451,035
-
\$ 451,035

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

14. CAPITAL ASSETS

A summary of the Authority's Capital Assets at September 30, 2022 is as follows:

Enterprise Fund Detail:

	<u>BUSINESS ACTIVITIES</u>	<u>CDBG</u>	<u>PUBLIC HOUSING & CAPITAL FUND</u>	
Land and Improvements	\$ 68,204	412,984	13,929,284	
Construction in Process	-	-	12,546,588	
Infrastructure	-	1,822,317	-	
Building and Improvements	659,005	-	81,849,528	
Furniture and Equipment	6,931	-	3,084,654	
Less: Accumulated Depreciation	<u>(665,597)</u>	<u>(993,660)</u>	<u>(74,952,880)</u>	
Total Property and Equipment	<u>\$ 68,543</u>	<u>1,241,641</u>	<u>36,457,174</u>	
	<u>HOUSING CHOICE VOUCHERS</u>	<u>COCC</u>	<u>STATE/LOCAL</u>	<u>TOTAL</u>
Land and Improvements	\$ -	-	59,121	14,469,593
Construction in Process	-	1,350	286,023	12,833,961
Infrastructure	-	-	1,287,000	3,109,317
Building and Improvements	233,251	112,074	-	82,853,858
Furniture and Equipment	107,162	201,924	-	3,400,671
Less: Accumulated Depreciation	<u>(306,255)</u>	<u>(207,140)</u>	<u>(831,435)</u>	<u>(77,956,967)</u>
Total Property and Equipment	<u>\$ 34,158</u>	<u>108,208</u>	<u>800,709</u>	<u>38,710,433</u>

Enterprise Fund Summary:

	<u>October 1, 2021 Balance</u>	<u>Additions</u>	<u>Transfers & Deletions</u>	<u>September 30, 2022 Balance</u>
Land	\$ 17,075,560	166,938	(2,772,905)	14,469,593
Construction in Process	10,528,155	5,105,906	(2,800,100)	12,833,961
Total Assets not being depreciated	27,603,715	5,272,844	(5,573,005)	27,303,554
Infrastructure	3,109,317	-	-	3,109,317
Buildings and Improvements	80,427,421	-	2,426,437	82,853,858
Furniture and Equipment	3,404,002	-	(3,331)	3,400,671
Total Property and Equipment	114,544,455	5,272,844	(3,149,899)	116,667,400
Less: Accumulated Depreciation	<u>(75,846,098)</u>	<u>(2,169,050)</u>	<u>58,181</u>	<u>(77,956,967)</u>
Net Book Value	<u>\$ 38,698,357</u>	<u>3,103,794</u>	<u>(3,091,718)</u>	<u>38,710,433</u>

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

15. NOTES PAYABLE

Qualified homeowners participating in a home rehabilitation program were given mortgage loans by the Authority to repair their homes. The Authority entered into an agreement with the City of Roanoke to finance a portion of these mortgage loans through its CDBG and HOME funds. CDBG/HOME funded mortgage loan payments received by the Authority are due back to the City. Repayment from the Authority to the City of outstanding mortgages is deferred until payments are received from the homeowners. The Authority's outstanding balance owed to the City for these loans as of September 30, 2022 was zero. All loans have been paid in full or forgiven.

16. ENTERPRISE FUND LONG-TERM LIABILITIES

Enterprise Fund Long-term liability activity for the year ended September 30, 2022, is as follows:

	October 1, 2021			September 30, 2022
	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>
Accrued Compensated Absences	\$ 114,252	269,830	261,507	122,575
Accrued OPEB Liabilities	595,646	-	66,777	528,869
Notes Payable	58,808	-	58,808	-
Other Long Term Liabilities	195,556	41,488	92,882	144,162
Less: Current Portion	<u>(244,098)</u>	<u>(283,609)</u>	<u>(373,026)</u>	<u>(154,681)</u>
Long-Term Liabilities	<u>\$ 720,164</u>	<u>27,709</u>	<u>106,948</u>	<u>640,925</u>

17. RESTRICTED NET POSITION

The Authority's restricted net position for the year is as follows:

	Enterprise <u>Fund</u>
Restricted for HAP Payments	\$ 49,537
Restricted for FSS Escrow Forfeiture Account	<u>2,451</u>
	<u>\$ 51,988</u>

18. OTHER COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from HUD are subject to audit and adjustment by grantor agencies. If expenses are disallowed as a result of these audits, the claims for reimbursement to the grantor agency would become a liability of the Authority. In the opinion of management, any such adjustments would not be significant.

19. RELATED PARTY TRANSACTIONS

Agreements with Stepping Stone, Limited Partnership (Component Unit)

The Authority and Stepping Stone, LP have entered an agreement whereby the Authority will provide property management services to the LP in exchange for a service fee of 6% of collected rents. As of September 30, 2022, Stepping Stone, LP owed the Authority \$1,547 for property management services and had paid the Authority \$15,553 in management fees during the year.

Agreements with Indian Village, Limited Partnership (Component Unit)

The Authority and Indian Village, LP have entered into an agreement whereby the Authority will provide property management services in exchange for a service fee of 6% of gross rents collected. As of September 30, 2022, Indian Village, LP owed the Authority \$2,480 in accrued management fees and expenses. During the year, the Partnership paid \$17,798 in management fees to the Authority.

Agreements with Park Street Housing, Limited Partnership (Component Unit)

The Authority and Park Street, LP have entered into an agreement whereby the Authority will provide property management services in exchange for a service fee of 6% of gross rents collected. RRHA has an outstanding loan with Park Street, LP of \$2,295,698. As of September 30, 2022 Park Street, LP owed the Authority \$1,365 in accrued management fees and expenses. During the year the partnership paid \$16,596 in management fees to the Authority.

Agreements with Hurt Park, Limited Partnership (Component Unit)

The Authority and Hurt Park, LP have entered into an agreement whereby the Authority will provide property management services to the LP in exchange for a service fee of 6% of collected rents. As of September 30, 2022, Hurt Park, LP owed the Authority \$1,942 for property management services and had paid the Authority \$12,696 in management fees during the year.

20. USE OF ANOTHER AUDITOR'S WORK

According to Statements of Auditing Standards, an auditor may "Use the work and reports of other independent auditors who have audited the financial statements of one or more subsidiaries, divisions, branches, components, or investments included in the financial statements presented". When making the decision of whether to include said statements, the Principle Auditor, must take into consideration "the professional reputation and independence of the other auditor".

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

20. USE OF ANOTHER AUDITOR'S WORK (continued)

During the Roanoke Redevelopment and Housing Authority audit, we elected to use another independent auditor's work for Stepping Stone, LP, Indian Village, LP, Park Street Housing, LP, Hurt Park, LP, and Roanoke Valley Housing Corporation based on the recommendation of the Housing Authority's management.

The aforementioned partnership audits for the year ended December 31, 2021 were performed by Dooley and Vicars, LLP, a highly regarded, independent auditing firm in Richmond, VA. All five audits had unmodified opinions with no findings.

21. DIFFERENT REPORTING PERIODS

The Roanoke Redevelopment and Housing Authority has a September 30th year end and each of the five discrete component units have December 31st year ends. The December 31, 2021 financial statements for the component units are included in the Authority's September 30, 2022 basic financial statements in the component unit column. According to the Governmental Accounting Standards Board (GASB) Statement 14, paragraph 59.118, if a component unit has a year end differing from that of the reporting entity, the financial statements for the component unit's fiscal year ending during the reporting entity's fiscal year should be incorporated. Statement 14 continues if transactions between component units that have different fiscal years result in inconsistencies in amounts reported as due to or due from, and so forth, the nature and amount of those transactions should be disclosed in the notes to the financial statements.

<u>RRHA - Due to/Due from Stepping Stone, LP</u>	<u>DR (CR)</u>
Balance at December 31, 2021	3,830
Net Transfers from January 1, 2022 to September 30, 2022	(2,283)
Balance at September 30, 2022	<u>1,547</u>
<u>RRHA - Due to/Due from Indian Village, LP</u>	<u>DR (CR)</u>
Balance at December 31, 2021	11,530
Net Transfers from January 1, 2022 to September 30, 2022	(9,050)
Balance at September 30, 2022	<u>2,480</u>
<u>RRHA - Due to/Due from Park Street Housing, LP</u>	<u>DR (CR)</u>
Balance at December 31, 2021	2,297,055
Net Transfers from January 1, 2022 to September 30, 2022	8
Balance at September 30, 2022	<u>2,297,063</u>
<u>RRHA - Due to/Due from Hurt Park, LP</u>	<u>DR (CR)</u>
Balance at December 31, 2021	9,566
Net Transfers from January 1, 2022 to September 30, 2022	(7,624)
Balance at September 30, 2022	<u>\$ 1,942</u>
<u>RRHA - Due to/Due from RVHC</u>	<u>DR (CR)</u>
Balance at December 31, 2021	-
Net Transfers from January 1, 2022 to September 30, 2022	-
Balance at September 30, 2022	<u>\$ -</u>

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

22. GRANTS

As of the end of the fiscal year September 30, 2022, the Authority expended the following grants:

<u>Grant Number</u>	<u>Expenditures prior to fiscal year 2022</u>	<u>Expenditures for fiscal year 2022</u>	<u>Total Expenditures</u>
Capital Fund			
VA36P011501-17	1,971,639	95,000	2,066,639
VA36R011501-11	165,582	-	165,582
	<u>\$ 2,137,221</u>	<u>95,000</u>	<u>2,232,221</u>

23. RISKS AND CONTINGENCIES

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. Therefore, it is uncertain as to the full magnitude that the pandemic will have on the Authority's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity and operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Authority is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial conditions, or liquidity for the year ended September 30, 2022.

24. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 7, 2023, the date the financial statements were available to be issued. No subsequent events requiring recognition or disclosure in the financial statements were identified by management.

25. OTHER POSTEMPLOYMENT BENEFITS

Benefit Description

The Authority participates in a healthcare plan managed by the Commonwealth of Virginia and administered by Anthem Blue Cross and Blue Shield. The health care plan is fully-insured and partially experienced-rated. The Authority subsidizes retiree medical health care coverage at various rates based upon age at retirement and years of service.

Benefit Policy

The Authority subsidizes 40%-80% of the medical insurance single premium rate for a retiree based on qualifications of employee age and years of service at retirement. Subsidy rates are categorized into 3 tiers based on the retiree qualifications. The Authority does not subsidize spousal coverage and the retiree is responsible for any premium not covered by the Authority. The Authority has funded its retiree health benefits on a pay-as-you-go basis. The benefit offered to retirees was established and can be amended by the Authority's board of directors. All information regarding Other Postemployment Benefits is included in the Authority's Audited Financial report. The Other Postemployment Benefit Plan does not issue a separate stand-alone financial report. For the year ended September 30, 2022, the other postemployment benefits (OPEB) expense was (\$19,170).

25. OTHER POSTEMPLOYMENT BENEFITS (continued)

Retirement Subsidy Tiers

<u>Retirement Tiers</u>	<u>ER Contribution</u>	<u>Subsidized Rate</u>
Tier 1- 62 w 5 years	100% of primary ER share	80%
Tier 2 - 60 w 5 years	70% of primary ER share	56%
Tier 3 - 55 w 10 years	50% of primary ER share	40%

The Total OPEB Liability of the Housing Authority at September 30, 2022 was \$464,119.

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The chart below presents the total OPEB liability, calculated using the current healthcare cost trend rate of 7.5% decreasing to 4.5%, as well as the total OPEB liability calculated using a healthcare cost trend rate that is 1 percentage point lower (6.5% decreasing to 3.5%) or 1 percentage point higher (8.5% decreasing to 5.5%) than the current rate:

	1% Decrease 6.5% decreasing to <u>3.5%</u>	Current Healthcare Cost Trent Rate 7.5% decreasing to <u>4.5%</u>	1% Increase 8.5% decreasing to <u>5.5%</u>
Total OPEB Liability	433,703	464,119	498,558

Sensitivity of the Total OPEB Liability to Changes in Discount Rate

The chart below presents the total OPEB liability, calculated using the current discount rate of 4.77%, as well as the OPEB liability calculated using a discount rate that is 1 percentage point lower (3.77%) or 1 percentage point higher (5.77%) than the current rate:

	1% Decrease to <u>3.77%</u>	Current Discount Rate <u>4.77%</u>	1% Increase to <u>5.77%</u>
Total OPEB Liability	491,515	464,119	439,374

There are no assets accumulated in a trust so the Net Fiduciary Position is \$0 and the Net OPEB Liability is equal to the Total OPEB Liability.

Roanoke Redevelopment and Housing Authority

Notes to Financial Statements (continued)

25. OTHER POSTEMPLOYMENT BENEFITS (continued)

Schedule of Changes in Total OPEB Liability	Fiscal Year Ending 9/30/22
Total OPEB Liability - Beginning of Year	\$ 555,337
Service Cost	28,989
Interest	13,329
Changes in Benefit Terms	-
Difference between Expected and Actual Experience	7,235
Changes in Assumptions	(68,723)
Benefit Payments	<u>(72,048)</u>
Net Change in Total OPEB Liability	(91,218)
Total OPEB Liability - End of Year	464,119
Covered Employee Payroll	3,358,115
Total OPEB Liability as a Percentage of the Covered Employee Payroll	13.82 %

OPEB Expense	Fiscal Year Ending 9/30/22
Service Cost	\$ 28,989
Interest on Total OPEB Liability	13,329
Effect of Plan Changes	-
Administrative Expenses	-
Recognition of Deferred (Inflows)/Outflows of Resources	
Differences between expected and actual experience	7,235
Assumption Changes	<u>(68,723)</u>
OPEB Expense	<u><u>\$ (19,170)</u></u>

25. OTHER POSTEMPLOYMENT BENEFITS (continued)

Alternative Measurement Method (AMM) Assumptions

Measurement Date	September 30, 2022
Valuation Date	September 30, 2022
Reporting Date	September 30, 2022
Measurement Period	October 1, 2021 to September 30, 2022
Discount Rate	2.43% per year

The discount rate used to measure the total pension liability as of October 31, 2021 was 2.43%. As an unfunded plan, the discount rate reflects the index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date.

General Inflation	2.5% per year
Salary Increases	3.5% per year
Cost Method	Entry Age Normal Level % of Salary Method
Employer Funding Policy	Pay-as-you-go cash basis

Health Care Cost Trend Rates

<u>Year</u>	<u>Rate %</u>	<u>Year</u>	<u>Rate %</u>
2023	7.50	2028	5.00
2024	7.00	2029+	4.50
2025	6.50		-
2026	6.00		
2027	5.50		

Mortality	SOA Pub 2010 Total Dataset Mortality table fully generated using Scale MP-2020
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26. UNCERTAIN TAX POSITIONS

The Authority had no unrecognized tax benefits at September 30, 2022 and no open years prior to September 30, 2019. The Authority files tax returns in the U.S. federal jurisdiction and the State of Virginia.



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Commissioners of the
Roanoke Redevelopment and Housing Authority:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Roanoke Redevelopment and Housing Authority(Authority), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated March 7, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Roanoke Redevelopment and Housing Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Toms River, New Jersey
March 7, 2023



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

The Board of Commissioners of the
Roanoke Redevelopment and Housing Authority:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Roanoke Redevelopment and Housing Authority's (the "Authority") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended September 30, 2022. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material aspects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Toms River, New Jersey
March 7, 2023

Roanoke Redevelopment and Housing Authority

Schedule of Expenditures of Federal Awards

For the Year Ended September 30, 2022

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Expenditures</u>
U.S. Department of Housing and Urban Development:		
Direct Awards:		
Public Housing	14.850	\$ 6,358,736
Housing Choice Vouchers	14.871	14,021,787
Housing Choice Vouchers CARES Act	14.871	257,411
Emergency Housing Vouchers	14.871	241,720
Mainstream	14.879	<u>927,271</u>
Total Cluster		15,448,189
Family Self-Sufficiency Program	14.896	149,134
Resident Opportunity and Support Services	14.870	<u>99,467</u>
Total Cluster		248,601
Jobs Plus Pilot Program Grant	14.895	242,452
Public Housing Capital Fund Program	14.872	<u>5,243,179</u>
		<u>\$27,541,157</u>

Roanoke Redevelopment and Housing Authority

Notes to Schedule of Federal Awards

September 30, 2022

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Roanoke Redevelopment and Housing Authority presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

2. Loan Guarantees

At September 30, 2022, the Authority is not the guarantor of any loans outstanding, except as discussed in the notes to the financial statements.

3. Indirect Cost Rate

The Authority has elected not to use the 10% de minimis indirect cost rate allowed under Uniform Guidance.

Roanoke Redevelopment and Housing Authority

Schedule of Findings and Questioned Costs

September 30, 2022

I. Summary of Auditor's Results

Financial Statement Section

- | | | |
|----|---|------------|
| 1. | Type of auditor's report issued: | Unmodified |
| 2. | Internal control over financial reporting | |
| | a. Material Weakness(es) identified? | No |
| | b. Were significant deficiencies identified not considered to be material weaknesses? | No |
| 3. | Noncompliance material to the financial statements? | No |

Federal Awards Section

- | | | |
|----|---|------------|
| 1. | Internal control over major programs: | |
| | a. Material Weakness(es) identified? | No |
| | b. Were significant deficiencies identified not considered to be material weaknesses? | No |
| 2. | Type of auditor's report issued on compliance for major programs: | |
| | Housing Choice Voucher | Unmodified |
| 3. | Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance (section .516(a)) | No |
| 4. | Dollar threshold used to determine Type A Programs: type A and B programs | \$826,235 |
| 5. | Auditee qualified as low risk? | Yes |

6. Major Programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
Housing Choice Voucher Cluster:	
14.871	Housing Choice Voucher
14.871	Housing Choice Voucher CARES Act
14.871	Emergency Housing Vouchers
14.879	Mainstream

Roanoke Redevelopment and Housing Authority
Schedule of Findings and Questioned Costs (continued)
September 30, 2022

II. Financial Statement Findings

None

III. Federal Award Findings and Questioned Costs

None

IV. Summary of Prior Audit Findings and Questioned Costs

None

Roanoke Redevelopment and Housing Authority
Schedule of Findings and Questioned Costs (continued)
September 30, 2022

Current year findings and questioned costs

None

DRAFT

Supplementary Information

DRAFT

Roanoke Redevelopment and Housing Authority
Schedule of Changes in Employer's Net Pension Liability

For the Year Ended September 30, 2022

Change in the Net Pension Liability	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability								
Service cost	238,946	268,863	288,945	307,830	319,415	325,513	345,298	349,221
Interest	220,036	189,890	168,610	142,241	125,184	106,466	99,660	75,160
Benefit changes	-	-	-	-	-	-	-	-
Difference between actual and expected experience	(108,705)	99,203	(60,196)	16,408	(18,918)	89,185	(74,302)	-
Assumption changes	122,300	-	93,198	-	(99,265)	-	-	-
Benefit payments, including refunds of contributions	<u>(123,210)</u>	<u>(99,496)</u>	<u>(72,649)</u>	<u>(106,918)</u>	<u>(58,583)</u>	<u>(448,927)</u>	<u>(97,929)</u>	<u>(50,830)</u>
Net change in total pension liability	349,367	458,460	417,908	359,561	267,833	72,237	272,727	373,551
Total pension liability - beginning	<u>3,321,400</u>	<u>2,862,940</u>	<u>2,445,032</u>	<u>2,085,471</u>	<u>1,817,638</u>	<u>1,745,401</u>	<u>1,472,674</u>	<u>1,099,123</u>
Total pension liability - ending	3,670,767	3,321,400	2,862,940	2,445,032	2,085,471	1,817,638	1,745,401	1,472,674
Plan fiduciary net position:								
Contributions - employer	118,472	109,893	131,236	151,251	158,003	169,028	169,738	130,328
Contributions - members	121,760	116,581	135,395	140,383	146,283	136,761	141,937	144,381
Net investment income	1,000,722	67,024	210,329	197,702	272,201	42,160	94,384	241,924
Benefit payments including refunds of contributions	(123,210)	(99,496)	(72,649)	(106,918)	(58,583)	(448,927)	(97,929)	(50,830)
Administrative expense	(2,312)	(2,077)	(1,804)	(1,524)	(1,307)	(1,587)	(1,051)	(1,101)
Other	<u>96</u>	<u>(80)</u>	<u>(135)</u>	<u>(431)</u>	<u>(253)</u>	<u>(17)</u>	<u>(22)</u>	<u>13</u>
Net change in plan fiduciary net position	1,115,528	191,845	402,372	380,463	516,344	(102,582)	307,057	464,715
Plan fiduciary net position - beginning	<u>3,564,957</u>	<u>3,373,112</u>	<u>2,970,740</u>	<u>2,590,277</u>	<u>2,073,933</u>	<u>2,176,515</u>	<u>1,869,458</u>	<u>1,404,743</u>
Plan fiduciary net position - ending	4,680,485	3,564,957	3,373,112	2,970,740	2,590,277	2,073,933	2,176,515	1,869,458
Net pension liability - ending	(1,009,718)	(243,557)	(510,172)	(525,708)	(504,806)	(256,295)	(431,114)	(396,784)
Plan fiduciary net position as a percentage of the total pension liability	127.51 %	107.33 %	117.82 %	121.50 %	124.21 %	114.10 %	124.70 %	126.94 %
Covered payroll	2,934,121	2,696,680	2,857,975	3,066,801	3,188,163	3,070,860	2,886,888	2,838,454
Net pension liability as a percentage of covered payroll	(34.41) %	(9.03) %	(17.85) %	(17.14) %	(15.83) %	(8.35) %	(14.93) %	(13.98) %

Roanoke Redevelopment and Housing Authority

Employer Contribution Schedule

For the Year Ended September 30, 2022

Schedule of RRHA Pension Contribution

Year Ended <u>June 30</u>	Actuarially Determined Contribution <u>(a)</u>	Actual Contributions and Receivables Recognized by Pension Plan <u>(b)</u>	Actuarial less Actual Contributions <u>(c)</u>	Covered Payroll <u>(d)</u>	Actual Contributions as a Percentage of Covered Payroll <u>(b)/(d)</u>
2021	152,574	118,472	34,102	2,934,121	4.04 %
2020	138,070	109,893	28,177	2,696,680	4.08 %
2019	146,328	131,236	15,092	2,857,975	4.59 %
2018	174,194	151,251	22,943	3,066,801	4.93 %
2017	181,088	158,003	23,085	3,188,163	4.96 %
2016	191,007	169,028	21,979	3,070,860	5.50 %
2015	179,564	169,738	9,826	2,886,888	5.88 %
2014	133,975	130,328	3,647	2,838,454	4.59 %

Roanoke Redevelopment and Housing Authority
Schedule of Changes in Total OPEB Liability

For the Year Ended September 30, 2022

Changes in Total OPEB Liability

<u>Schedule of Changes in Total OPEB Liability</u>	<u>Fiscal Year Ending 9/30/22</u>	<u>Fiscal Year Ending 9/30/21</u>	<u>Fiscal Year Ending 9/30/20</u>	<u>Fiscal Year Ending 9/30/19</u>	<u>Fiscal Year Ending 9/30/18</u>	<u>Fiscal Year Ending 9/30/17</u>
Total OPEB Liability - Beginning of Year	555,337	1,072,799	1,026,924	\$ 1,072,639	\$ 997,671	\$ 263,939
Conversion from GASB 45 to 75	-	-	-	-	-	558,577
Converted OPEB Liability - Beginning of Year	<u>555,337</u>	<u>1,072,799</u>	<u>1,026,924</u>	<u>1,072,639</u>	<u>997,671</u>	<u>822,516</u>
Service Cost	28,989	42,356	34,938	118,648	114,481	105,935
Interest	13,329	25,728	36,391	41,839	39,053	41,359
Changes in Benefit Terms	-	-	-	-	-	-
Difference between Expected and Actual Experience	(68,723)	(511,556)	(1,585)	(121,744)	-	-
Changes in Assumptions	7,235	21,801	67,640	-	-	46,784
Benefit Payments	<u>(72,048)</u>	<u>(95,791)</u>	<u>(91,509)</u>	<u>(84,458)</u>	<u>(78,566)</u>	<u>(18,923)</u>
Net Change in Total OPEB Liability	<u>(91,218)</u>	<u>(517,462)</u>	<u>45,875</u>	<u>(45,715)</u>	<u>74,968</u>	<u>175,155</u>
Total OPEB Liability - End of Year	464,119	555,337	1,072,799	1,026,924	1,072,639	997,671
Covered Employee Payroll	3,358,115	2,984,958	2,699,961	2,981,275	3,267,959	3,172,776
Total OPEB Liability as a Percentage of the Covered Employee Payroll	13.82 %	18.60 %	39.73 %	34.45 %	32.82 %	31.44 %

FDS #	Description	PH Total AMIPs	S8 HCV Fund 306 14,871	S8 HCV CARES Fund 966 & 325 14,HCC	S8 MAINSTREAM Fund 310 14,879	EHV Fund 360 14,EHV	FSS Escrow Forfeiture Account 14,EFA	Jobs Plus Fund 602 14,895	FSS Fund 687, 689 14,896	ROSS Fund 688 14,870	CDHG Fund 510 14,218	HOME Fund 510 14,239	STATE/ LOCAL
111	Cash- unrestricted	10,095,963	1,785,926		288,005	16,082					116,425	36,688	2,144,750
112	Cash- restricted- modernizn & developmt	-	-		-	-							-
113	Cash-other restricted	101,140	85,343	-	-	-	2,451						1,049,875
114	Cash- tenant security deposits	151,159											-
115	Cash - restricted for pymt of curr liability	-	112,354	-	15,351	64							-
100	Total Cash	10,348,262	1,983,623	-	303,356	16,146	2,451	-	-	-	116,425	36,688	3,194,625
121	AR - PHA projis	-	1,877										-
122-010	AR - HUD other projis - Operating Subsidy	146,087						52,134	21,758	5,471			
122-020	AR - HUD other projis - Capital fund	493,522											
122-030	AR - HUD other projis - Other	-	-		26,358	6,907							
122	Accounts receivable - HUD other projis	639,609	-	-	26,358	6,907	-	52,134	21,758	5,471	-	-	-
124	Account receivable - other govt	17,313									4,491	1,389	-
125-040	Account receivable - mise - Tax Credit	-											
125-050	Account receivable - mise - Other	-	138,560	-	5,378								500
125	Account receivable - miscellaneous	-	138,560	-	5,378	-	-	-	-	-	-	-	500
126	Accounts receivable - tenants	1,003,258											-
126.1	Allowance for doubtful accounts - tenants	(802,495)											-
126.2	Allowance for doubtful accounts - other	-	(1,877)							-	-	-	-
127	Loans & Mortgages Recvbl - Current	-											-
128	Fraud recovery	-	104,318										-
128	Allowance for doubtful accounts - fraud	-	(103,942)										-
129	Accrued interest receivable	-									-	-	-
120	Total Receivables, net allow for doubtful accts	857,685	138,936	-	31,736	6,907	-	52,134	21,758	5,471	4,491	1,389	500
142	Prepaid expenses, Other assets	283,739	24,550										-
143	Allowance- obsolete inventories	-											-
144	Inter program - due from	19,335	5,999										-
145	Assets held for sale	-											-
150	Total Current Assets	11,509,021	2,153,108	-	335,092	23,053	2,451	52,134	21,758	5,471	120,916	38,077	3,195,125
161	Land	13,929,284									412,984		59,121
162	Buildings	81,849,528	233,251										-
163	Furniture, equip, machinery - dwellings	1,144,133											-
164	Furniture, equip, machinery - admin	1,940,521	107,162										-
165	Leasehold improvements	-											-
166	Accumulated depreciation	(74,952,880)	(306,255)								(993,660)		(831,435)
167	Construction in progress	12,546,588									1,822,317		286,023
168	Infrastructure	-											1,287,000
160	Total capital assets, net accum depreciation	36,457,174	34,158	-	-	-	-	-	-	-	1,241,641	-	800,709
171-040	Loans & mortgs recv - NC - Tax Credit	316,000											-
171-050	Loans & mortgs recv - NC - Other	25,500											67,000
171	Loans & Mortgages recvbl – Non-current	341,500	-	-	-	-	-		-	-	-	-	67,000
172-040	Loans & Mortgs recvbl - NC past due - Tax Credit	-											
172-050	Loans & Mortgs recvbl - NC past due - Other	-											
172	Loans & Mortgs recvbl – Non-current, past due	-	-								-	-	-
173	Grants receivable - Non-current	-											-
174-040	Other assets - Tax Credit	-											
174-050	Other assets - Other	528,418	104,321								-	-	-
174	Other assets	528,418	104,321										-
180	Total Non-current Assets	37,327,092	138,479	-	-	-	-	52,134	21,758	5,471	1,241,641	-	867,709
190	Total Assets	48,836,113	2,291,587	-	335,092	23,053	2,451	52,134	21,758	5,471	1,362,557	38,077	4,062,834
200	Deferred Outflow of Resources	134,113	27,195										
290	Total Assets & Deferred Outflow of Resources	48,970,226	2,318,782	0	335,092	23,053	2,451	52,134	21,758	5,471	1,362,557	38,077	4,062,834

FDS #	Description	PH Total AMPs	S8 HCV Fund 306 14,871	S8 HCV CARES Fund 966 & 325 14,HCC	S8 MAINSTREAM Fund 310 14,879	EHV Fund 360 14,EHV	FSS Escrow Forfeiture Account 14,EEA	Jobs Plus Fund 602 14,895	FSS Fund 687, 689 14,896	ROSS Fund 688 14,870	CDRG Fund 510 14,218	HOME Fund 510 14,239	STATE/ LOCAL
312	Accounts payable <= 90 days	520,721	104,283	-	15,351	64		26,095					200
313	Accounts payable > 90 days past due	-											-
321	Accrued wage/payroll taxes payable	78,434	16,558					9,060	6,476	4,235			-
322	Accrued compensated absences - curr portion	56,571	6,203					3,705	3,284	1,174			-
324	Accrued contingency liability	-											-
325	Accrued interest payable	-									-		-
331-010	AP - HUD PHA Programs - Operating Subsidy	-											-
331-020	AP - HUD PHA Programs - Capital fund	-											-
331-030	AP - HUD PHA Programs - Other	-											-
331	Accounts payable - HUD PHA Programs	-	-	-	-	-	-	-	-	-	-	-	-
332	Accounts payable - PHA Projects	-											-
333	Accounts payable - other govt	151,720	381								122,459	38,077	336,924
341	Tenant security deposits	151,159											-
342-010	Unearned revenue - Operating Subsidy	-											-
342-020	Unearned revenue - Capital fund	-											-
342-030	Unearned revenue - Other	81,910		-	-	-							1,050,375
342	Unearned revenue	81,910	-	-	-	-	-	-	-	-	-	-	1,050,375
343-010	CHFP	-											-
343-020	Capital Projects/ Mortgage Revenue	-											-
343	Curr portion LT debt - capital projs	-											-
344	Curr portion LT debt - operating borrowings	-											-
345	Other current liabilities	150,180	8,071										-
346	Accrued liabilities - other	-	-										-
347	Inter program - due to	24,035											-
348-020	Loan liability - current - Partnership	-						13,274	11,998	62			-
348-040	Loan liability - current - Tax Credit	-											-
348-050	Loan liability - current - Other	-											-
348	Loan liability - current	-	-	-	-	-	-	-	-	-	-	-	-
310	Total Current Liabilities	1,214,730	135,496	-	15,351	64	-	52,134	21,758	5,471	122,459	38,077	1,387,499
351-010	Long-term debt - CHFP	-											-
351-020	Long-term - Capital Projects	-											-
351	LT Debt - Capital Projs / Mortgages	-											-
352	LT debt, net of current - operating borrowings	-											-
353	Non-current liabilities - other	100,285	35,806										-
354	Accrued compensated absences- NC	-											-
355-040	Loan liability - NC - Tax Credit	-											-
355-050	Loan liability - NC - Other	-											-
	Other - Comment												-
355	Loan liability – Non-current	-	-	-	-	-	-	-	-	-	-	-	-
356	FASB 5 Liabilities	-											-
357-010	Pension Liability	-											-
357-020	OPEB Liability	368,502	42,503										-
357	Accrued Pension & OPEB Liability	368,502	42,503	-	-	-	-		-	-	-	-	-
350	Total Non-current liabilities	468,787	78,309	-	-	-	-		-	-	-	-	-
300	Total Liabilities	1,683,517	213,805	-	15,351	64	-	52,134	21,758	5,471	122,459	38,077	1,387,499
400	Deferred Inflow of Resources	262,820	53,287										-
508.4	Capital Asset Investmt, net related debt	36,457,174	34,158	-	-	-	-		-	-	1,241,641	-	800,709
511.4	Restricted Net Position	-	49,537			-	2,451						-
512.4	Unrestricted Net Position	10,566,715	1,967,995		319,741	22,989			-	-	(1,543)		1,874,626
513	Total Net Position	47,023,889	2,051,690	-	319,741	22,989	2,451	-	-	-	1,240,098	-	2,675,335
600	Total Liabs, Def. Inflow of Res. & Net Position	48,970,226	2,318,782	-	335,092	23,053	2,451	52,134	21,758	5,471	1,362,557	38,077	4,062,834

FDS #	Description	PH Total AMIPs	S8 HCV Fund 306 14,871	S8 HCV CARES Fund 966 & 325 14,HCC	S8 MAINSTREAM Fund 310 14,879	EHV Fund 360 14,EHV	FSS Escrow Forfeiture Account 14,EFA	Jobs Plus Fund 602 14,895	FSS Fund 687, 689 14,896	ROSS Fund 688 14,870	CDRG Fund 510 14,218	HOME Fund 510 14,239	STATE/ LOCAL
70300	Net tenant rental revenue	3,607,605											-
70400	Tenant revenue - other	249,770											-
70500	Total Tenant Revenue	3,857,375	-	-	-	-	-	-	-	-	-	-	-
70600-010	Housing assistance payments	-	13,170,599	198,680	885,125	158,133							
70600-020	Ongoing administrative fees earned	-	1,230,098	58,731	95,065	10,249							-
70600-030	FSS Coordinator	-				36,417							-
70600-040	Independent public acctant audit costs	-											-
70600-050	Total preliminary fees earned	-				-							-
70600-060	Interest earned on advances	-				8,550							-
70600-070	Admin fee calculation description	-											-
70600	HUD PHA operating grants	6,787,266	14,400,697	257,411	980,190	213,349	-	242,452	149,134	99,467		-	-
70610	Capital grants	4,814,649								-	-	-	-
70710	Management Fee	-											
70720	Asset Management Fee	-											
70730	Book-Keeping Fee	-											
70740	Front Line Service Fee	-											
70750	Other Fees	-											
70700	Total Fee Revenue	-	-	-	-	-	-	-	-	-	-	-	-
70800	Other government grants	31,482									1,525		149,112
71100-010	Housing Assistance Payment	-											
71100-020	Administrative Fee	-											-
71100	Investment income - unrestricted	71	-	-	-	-	-		-	-	-	-	-
71200	Mortgage interest income	-											-
71300	Proceeds - disposition of assets held for sale	-											-
71310	Cost of sale of assets	-									(3,059,300)		(8,614)
71400-010	Housing Assistance Payment	-	-										
71400-020	Administrative Fee	-	-										
71400	Fraud recovery	-	-	-	-	-	-						-
71500	Other revenue	168,383	4,509										219
71600	Gain/ loss - sale of capital assets	73,050	-				3,620						-
72000-010	Housing Assistance Payment	-											-
72000-020	Administrative Fee	-											
72000	Investment income - restricted	-			-	-	-						
70000	Total Revenue	15,732,276	14,405,206	257,411	980,190	213,349	3,620	242,452	149,134	99,467	(3,057,775)	-	140,717
91100	Administrative salaries	457,925	213,746	39,217	22,273	2,268							2,597
91200	Auditing fees	29,426	3,726		303								35
91300-010	To PHA Administered Program (i.e. COCC)	1,564,874	246,019			2,049							-
91300-020	To Third Party/Outside Entity	-											-
91300	Management Fees	1,564,874	246,019	-	-	2,049			-	-	-	-	-
91310	Book-Keeping Fee	115,282	159,165			1,627							-
91400	Advertising and Marketing	54,958	648										-
91500	Employee Benefit contributions - Admin	128,613	63,616	13,745	7,797	794							909
91600	Office Expenses	333,916	127,915		524	511							50
91700	Legal Expense	75,549	766		61						1,254		2,142
91800	Travel	466	-		-								-
91810	Allocated Overhead	-											-
91900	Other	53,882	1,910		9,047	-					32		1,047
91000	Total Operating-Administrative	2,814,891	817,511	52,962	40,005	7,249	-		-	-	1,286	-	6,789
92000	Asset Management Fee	153,720											

FDS #	Description	PH Total AMPs	S8 HCV Fund 306 14,871	S8 HCV CARES Fund 966 & 325 14,HCC	S8 MAINSTREAM Fund 310 14,879	EHV Fund 360 14,EHV	FSS Eserow Forfeiture Account 14,EFA	Jobs Plus Fund 602 14,895	FSS Fund 687, 689 14,896	ROSS Fund 688 14,870	CDHG Fund 510 14,218	HOME Fund 510 14,239	STATE/ LOCAL
92100	Tenant services - salaries	26,631	-			-		110,821	104,641	61,311			-
92200	Relocation Costs	30,133				580							46,873
92300	Employee benefit contribs - tenant services	22,762	2,444			-		42,069	38,176	22,098			-
92400	Tenant services - other	45,403	2,504	5,769		35,838	1,169	77,334		13,833			-
92500	Total Tenant Services	124,929	4,948	5,769	-	36,418	1,169	230,224	142,817	97,242	-	-	46,873
93100	Water	459,738	1,200		100								129
93200	Electricity	590,211	1,339		112								469
93300	Gas	555,192	1,891		153								19
93400	Fuel	-											-
93500	Labor	-											-
93600	Sewer	490,053	1,123		93						240		198
93700	Employee benefit contributions - utilities	-											-
93750	HAP Portability-In	-											-
93800	Other utilities expense	-											-
93000	Total Utilities	2,095,194	5,553	-	458	-	-	-	-	-	240	-	815
94100	OMO-labor	693,525											-
94200	OMO-materials, other	515,164	104										-
94300-010	OMO contracts-Trash Removal	242,779											-
94300-020	OMO contracts-HVAC	141,906											-
94300-030	OMO contracts-Snow Removal	-											-
94300-040	OMO contracts-Elevator Maint	17,784											-
94300-050	OMO contracts-Grounds	255,019											1,590
94300-060	OMO contracts-Unit Turnaround	125,892											-
94300-070	OMO contracts-Electrical	58,008											-
94300-080	OMO contracts-Plumbing	281,411											-
94300-090	OMO contracts-Extermination	83,759											-
94300-100	OMO contracts-Janitorial	20,178	4,675										-
94300-110	OMO contracts-Routine Maint	606,141											-
94300-120	OMO contracts-Misc	-	5,011		984								110
94300	Ordinary Maint & Operations Contracts	1,832,877	9,686	-	984	-	-		-	-	-	-	1,700
94500	OMO- Employee benefit contributions	150,356											-
94000	Total Maintenance	3,191,922	9,790	-	984	-	-	-	-	-	-	-	1,700
95100	Protective services - labor	-											-
95200	Protective services - contract costs (police)	33,912	2,031										-
95300	Protective services - other	131,858											-
95500	Protective services - Employee benefit contribs	-											-
95000	Total Protective Services	165,770	2,031	-	-	-	-	-	-	-	-	-	-
96110	Property Insurance	189,850	1,276										-
96120	Liability Insurance	66,612	1,550		699								176
96130	Workmen's Compensation	29,085	5,580										-
96140	All other Insurance	23,986	117										-
96100	Total Insurance Premiums	309,533	8,523	-	699	-	-	-	-	-	-	-	176
96200	Other general expenses (FSS Eserow)	-											-
96210	Compensated absences	95,515	31,345					12,228	6,317	2,225			-
96300	Payments in lieu of taxes	151,720											-
96400	Bad debt - tenant rents	373,932											-
96500	Bad debt - mortgages	-											-
96600	Bad debt - other	3,750											-
96800	Severance expense	-											-
96000	Total Other General Expenses	621,167	35,095	-	-	-	-	12,228	6,317	2,225	-	-	-
96710	Interest - Mortgage/Bonds Payable	-											-
96720-010	Interest on EPC Related Debt	-											-
96720-020	Interest on All Other Debt	-											-
96720	Interest on Notes Payable (short & long term)	-											-
96730	Amortization of Bond Issue Costs	-											-
96700	Interest expense and Amortization cost	-	-	-	-	-	-	-	-	-	-	-	-
96900	Total Operating Expenses	9,477,126	883,451	58,731	42,146	43,667	1,169	242,452	149,134	99,467	1,526	-	56,353
97000	Excess Revenue Over Operating Expenses	6,255,150	13,521,755	198,680	938,044	169,682	2,451	-	-	-	(3,059,301)	-	84,364

FDS #	Description	PH Total AMPs	S8 HCV Fund 306 14,871	S8 HCV CARES Fund 966 & 325 14,HCC	S8 MAINSTREAM Fund 310 14,879	EHV Fund 360 14,EHV	FSS Escrow Forfeiture Account 14,EFA	Jobs Plus Fund 602 14,895	FSS Fund 687, 689 14,896	ROSS Fund 688 14,870	CDRG Fund 510 14,218	HOME Fund 510 14,239	STATE/ LOCAL
97100	Extraordinary maintenance	525,945											-
97200	Casualty losses- Non-capitalized	19,000											-
97300-010	Mainstream 1 & 5 year	-			885,125								
97300-020	Home-Ownership	-	48,396										
97300-025	Litigation	-											
97300-030	Hope IV	-											
97300-035	Moving to Work	-											
97300-040	Tenant Protection	-											
97300-050	All Other	-	42,811										
97300	Housing assistance payments	-	13,032,157	198,680		198,053							85,647
97300	HAP Portability In	-	13,123,364	198,680	885,125	198,053	-						
97350	Depreciation expense												
97400	Fraud losses	2,033,445	14,972	-							61,038		42,899
97500	Dwelling units rent expense	-											-
97800		-											-
90000	Total Expenses	12,055,516	14,021,787	257,411	927,271	241,720	1,169	242,452	149,134	99,467	62,564	-	184,899
10010	Operating transfer in	45,530											-
10020	Operating transfer out	(45,530)											-
10030-010	Not For Profit	-											-
10030-020	Partnership	-											-
10030-030	Joint Venture	-											-
10030-040	Tax Credit	-											-
10030-050	Other	-											-
10030	Operating transfers from / to primary govt	-							-		-	-	-
10040	Operating transfers from / to component unit	-											-
10070	Extraordinary items, net gain/loss	-											-
10080	Special items, net gain/loss	-											-
10091	Inter AMP Excess Cash Transfer In	500,000											-
10092	Inter AMP Excess Cash Transfer Out	(500,000)											-
10093	Transfers bwn Program & Project - In	-											-
10094	Transfers bwn Program & Project - Out	-											-
10100	Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-
10000	Excess (Deficiency) of Revenues vs Expenses	3,676,760	383,419	-	52,919	(28,371)	2,451	-	-	-	(3,120,339)	-	(44,182)
11020	Required Annual Debt Principal Payments	-							-				-
11030	Beginning equity	43,347,129	1,668,271	-	266,822	51,360	-	-	-	-	4,360,437		2,719,517
11040-010	Prior period adjs & correction of errors	-											-
11040-020	Prior period adjs & correction of errors	-											-
11040-030	Prior period adjs & correction of errors	-											-
11040-040	Prior period adjs & correction of errors	-											-
11040-050	Prior period adjs & correction of errors	-											-
11040-060	Prior period adjs & correction of errors	-											-
11040-070	Equity Transfers (UNRESTRICTED)	-											-
11040-080	Equity Transfers (RESTRICTED)	-											-
11040-090	Equity Transfers	-					-						-
11040-100	Equity Transfers	-											-
11040-110	Equity Transfers	-											-
11040	Prior Pd adjs, Equity trnfrs, & Error corrections	-	-	-	-	-	-	-	-	-	-	-	-

FDS #	Description	Business Activity	Central Office Fund 900	Eliminations	RRHA TOTAL	Indian Village 456	Park Street 457	Stepping Stone 455	Hurt Park 459	RVHC 402	TOTAL COMPONENT UNITS	ENTITY WIDE TOTAL
111	Cash- unrestricted	990,241	5,736,953		21,211,033	41,550	75,008	364,830	178,098	82,065	741,551	21,952,584
112	Cash- restricted- modernizn & developmt	-	-		-						-	-
113	Cash- other restricted	-	1,873		1,240,682	93,459	142,184	155,867	175,936	583	568,029	1,808,711
114	Cash- tenant security deposits	5,902	-		157,061	5,952	6,202	7,250	11,502		30,906	187,967
115	Cash - restricted for pymt of curr liability	-	-		121,769						-	127,769
100	Total Cash	996,143	5,738,826	-	22,736,545	140,961	223,394	527,947	365,536	82,648	1,340,486	24,077,031
121	AR - PHA projis	-	-		1,877						-	1,877
122-010	AR - HUD other projis - Operating Subsidy	-	-		225,450						-	225,450
122-020	AR - HUD other projis - Capital fund	-	-		493,522						-	493,522
122-030	AR - HUD other projis - Other	-	-		33,265						-	33,265
122	Accounts receivable - HUD other projis	-	-	-	752,237	-	-	-	-	-	-	752,237
124	Account receivable - other govt	-	-		23,193						-	23,193
125-040	Account receivable - mise - Tax Credit	7,363	-		7,363						-	7,363
125-050	Account receivable - misc - Other	-	25,836		170,274						-	170,274
125	Account receivable - miscellaneous	7,363	25,836	-	177,637	-	-	-	-	-	-	177,637
126	Accounts receivable - tenants	4,796	-		1,008,054	23,507	19,267	36,120	31,686		110,580	1,118,634
126.1	Allowance for doubtful accounts - tenants	(2,132)	-		(804,627)	(11,120)	(11,264)	(27,026)	(16,824)		(66,234)	(870,861)
126.2	Allowance for doubtful accounts - other	-	-		(1,877)						-	(1,877)
127	Loans & Mortgages Recvbl - Current	-	-		-						-	-
128	Fraud recovery	-	-		104,318						-	104,318
128	Allowance for doubtful accounts - fraud	-	-		(103,942)						-	(103,942)
129	Accrued interest receivable	-	-		-						-	-
120	Total Receivables, net allow for doubtful accts	10,027	25,836	-	1,149,963	12,387	8,003	9,094	14,862	-	44,346	1,194,309
142	Prepaid expenses, Other assets	4,407	30,191		342,887	13,245	13,866	3,762	1,532	992	33,397	376,284
143	Allowance- obsolete inventories	-	-		-						-	-
144	Inter program - due from	-	(25,334)		-						-	-
145	Assets held for sale	-	-		-						-	-
150	Total Current Assets	1,010,577	5,794,853	(25,334)	24,236,302	166,593	245,263	540,803	381,930	83,640	1,418,229	25,654,531
161	Land	68,204	-		14,469,593	1,105,314	1,154,523	80,675	958,971		3,299,483	17,769,076
162	Buildings	659,005	112,074		82,853,858	4,129,264	4,605,233	4,173,843	6,956,695		19,865,035	102,718,893
163	Furniture, equip, machinery - dwellings	-	5,627		1,149,760	76,433	82,602	31,596	74,300		264,931	1,414,691
164	Furniture, equip, machinery - admin	6,931	196,297		2,250,911						-	2,250,911
165	Leasehold improvements	-	-		-						-	-
166	Accumulated depreciation	(665,597)	(207,140)		(77,956,967)	(2,537,848)	(2,482,550)	(1,802,912)	(2,783,819)		(9,607,129)	(87,564,096)
167	Construction in progress	-	1,350		12,833,961						-	12,833,961
168	Infrastructure	-	-		3,109,317						-	3,109,317
160	Total capital assets, net accum depreciation	68,543	108,208	-	38,710,433	2,773,163	3,359,808	2,483,202	5,206,147	-	13,822,320	52,532,753
171-040	Loans & mortgs recv - NC - Tax Credit	-	42,535		358,535						-	358,535
171-050	Loans & mortgs recv - NC - Other	-	-		92,500						-	92,500
171	Loans & Mortgages recvbl - Non-current	-	42,535	-	451,035	-	-	-	-	-	-	451,035
172-040	Loans & Mortgs recvbl - NC past due - Tax Credit	-	-		-						-	-
172-050	Loans & Mortgs recvbl - NC past due - Other	-	-		-						-	-
172	Loans & Mortgs recvbl - Non-current, past due	-	-	-	-	-	-	-	-	-	-	-
173	Grants receivable - Non-current	-	-		-						-	-
174-040	Other assets - Tax Credit	-	-		-						-	-
174-050	Other assets - Other	19,789	421,939		1,074,467						-	1,074,467
174	Other assets	19,789	421,939	-	1,074,467	-	-	-	-	-	-	1,074,467
180	Total Non-current Assets	88,332	572,682	-	40,235,935	2,773,163	3,359,808	2,483,202	5,206,147	-	13,822,320	54,058,255
190	Total Assets	1,098,909	6,367,535	(25,334)	64,472,237	2,939,756	3,605,071	3,024,005	5,588,077	83,640	15,240,549	79,712,786
200	Deferred Outflow of Resources	2,488	128,941		292,737						-	292,737
290	Total Assets & Deferred Outflow of Resources	1,101,397	6,496,476	(25,334)	64,764,974	2,939,756	3,605,071	3,024,005	5,588,077	83,640	15,240,549	80,005,523

FDS #	Description	Business Activity	Central Office Fund 900	Eliminations	RRHA TOTAL	Indian Village 456	Park Street 457	Stepping Stone 455	Hurt Park 459	RVHC 402	TOTAL COMPONENT UNITS	ENTITY WIDE TOTAL
312	Accounts payable <= 90 days	2,072	59,050		727,836	1,768	3,784	4,371	10,893		20,816	748,652
313	Accounts payable > 90 days past due	-	-		-	11,530					11,530	11,530
321	Accrued wage/payroll taxes payable	1,299	-		116,062							116,062
322	Accrued compensated absences - curr portion	741	50,897		122,575						-	122,575
324	Accrued contingency liability	-	-		-						-	-
325	Accrued interest payable	-	-		-	2,918	1,505	798	4,522		9,743	9,743
331-010	AP - HUD PHA Programs - Operating Subsidy	-	-		-						-	-
331-020	AP - HUD PHA Programs - Capital fund	-	-		-						-	-
331-030	AP - HUD PHA Programs - Other	-	-		-						-	-
331	Accounts payable - HUD PHA Programs	-	-		-	-	-	-	-		-	-
332	Accounts payable - PHA Projects	-	-		-						-	-
333	Accounts payable - other govt	-	-		649,561							649,561
341	Tenant security deposits	5,902	-		157,061	5,750	5,500	7,250	11,500		30,000	187,061
342-010	Unearned revenue - Operating Subsidy	-	-		-						-	-
342-020	Unearned revenue - Capital fund	-	-		-						-	-
342-030	Unearned revenue - Other	3,215	1,873		1,137,373	11,145	8,109	4,906	5,901		30,061	1,167,434
342	Unearned revenue	3,215	1,873	-	1,137,373	11,145	8,109	4,906	5,901	-	30,061	1,167,434
343-010	CFPP	-	-		-						-	-
343-020	Capital Projects/ Mortgage Revenue	-	-		-						-	-
343	Curr portion LT debt - capital projis	-	-		-	22,453	11,653	31,206	29,154		94,466	94,466
344	Cur portion LT debt - operating borrowings	-	-		-						-	-
345	Other current liabilities	-	-		158,251						-	158,251
346	Accrued liabilities - other	-	-		24,035						-	24,035
347	Inter program - due to	-	-	(25,334)	-						-	-
348-020	Loan liability - current - Partnership	-	-		-					515	515	515
348-040	Loan liability- current - Tax Credit	-	-		-						-	-
348-050	Loan liability - current - Other	-	-		-						-	-
348	Loan liability - current	-	-	-	-	-	-	-	-	515	515	515
310	Total Current Liabilities	13,229	111,820	(25,334)	3,092,754	55,564	30,551	48,531	61,970	515	197,131	3,289,885
351-010	Long-term debt - CFPP	-	-		-						-	-
351-020	Long-term- Capital Projects	-	-		-						-	-
351	LT Debt - Capital Projis / Mortgages	-	-	-	-	1,651,460	2,765,395	495,549	1,855,776		6,768,180	6,768,180
352	LT debt, net of current - operating borrowings	-	-		-		42,535				42,535	42,535
353	Non-current liabilities - other	-	-		136,091	470,000	55,362	470,153	287,786		1,283,301	1,419,392
354	Accrued compensated absences- NC	-	-		-						-	-
355-040	Loan liability - NC - Tax Credit	-	-		-						-	-
355-050	Loan liability- NC - Other	-	-		-						-	-
	Other - Comment	-	-		-						-	-
355	Loan liability - Non-current	-	-	-	-	-	-	-	-	-	-	-
356	FASB 5 Liabilities	-	-		-						-	-
357-010	Pension Liability	-	-		-						-	-
357-020	OPEB Liability	43,042	50,787		504,834							504,834
357	Accrued Pension & OPEB Liability	43,042	50,787	-	504,834	-	-	-	-	-	-	504,834
350	Total Non-current liabilities	43,042	50,787	-	640,925	2,121,460	2,863,292	965,702	2,143,562	-	8,094,016	8,734,941
300	Total Liabilities	56,271	162,607	(25,334)	3,733,679	2,177,024	2,893,843	1,014,233	2,205,532	515	8,291,147	12,024,826
400	Deferred Inflow of Resources	4,876	252,609		573,592						-	573,592
508.4	Capital Asset Investmnt, net related debt	68,543	108,208		38,710,433	1,099,250	582,760	1,956,447	3,321,217	-	6,959,674	45,670,107
511.4	Restricted Net Position	-	-		51,988	93,459	142,184	155,867	175,936	583	568,029	620,017
512.4	Unrestricted Net Position	971,707	5,973,052		21,695,282	(429,977)	(13,716)	(102,542)	(114,608)	82,542	(578,301)	21,116,981
513	Total Net Position	1,040,250	6,081,260	-	60,457,703	762,732	711,228	2,009,772	3,382,545	83,125	6,949,402	67,407,105
600	Total Liab, Def, Inflow of Res, & Net Position	1,101,397	6,496,476	(25,334)	64,764,974	2,939,756	3,605,071	3,024,005	5,588,077	83,640	15,240,549	80,005,523

FDS #	Description	Business Activity	Central Office Fund 900	Eliminations	RRHA TOTAL	Indian Village 456	Park Street 457	Stepping Stone 455	Hurt Park 459	RVHC 402	TOTAL COMPONENT UNITS	ENTITY WIDE TOTAL
70300	Net tenant rental revenue	176,767	-		3,784,372	213,640	236,802	329,360	247,236		1,027,038	4,811,410
70400	Tenant revenue - other	-			249,770	25	(102)		5,444		5,367	255,137
70500	Total Tenant Revenue	176,767	-	-	4,034,142	213,665	236,700	329,360	252,680	-	1,032,405	5,066,547
70600+010	Housing assistance payments				14,412,537							14,412,537
70600+020	Ongoing administrative fees earned				1,394,143						-	1,394,143
70600+030	FSS Coordinator				36,417						-	36,417
70600+040	Independent public account audit costs				-						-	-
70600+050	Total preliminary fees earned				-						-	-
70600+060	Interest earned on advances				8,550						-	8,550
70600+070	Admin fee calculation description				-						-	-
70600	HUD PHA operating grants		-		23,129,966						-	23,129,966
70610	Capital grants	-	-		4,814,649						-	4,814,649
70710	Management Fee	-	1,890,017	(1,890,017)	-						-	-
70720	Asset Management Fee		153,720	(153,720)	-						-	-
70730	Book-Keeping Fee		276,074	(276,074)	-						-	-
70740	Front Line Service Fee		63,741	(63,741)	-						-	-
70750	Other Fees				-						-	-
70700	Total Fee Revenue	-	2,383,552	(2,383,552)	-	-	-	-	-	-	-	-
70800	Other government grants	-	-		167,950						-	167,950
71100+010	Housing Assistance Payment	-	-	(14,169)	-						-	-
71100+020	Administrative Fee	-	-		-						-	-
71100	Investment income - unrestricted	-	68	-	139	14	32	35	32		113	252
71200	Mortgage interest income	-	-								-	-
71300	Proceeds - disposition of assets held for sale	-	-								-	-
71310	Cost of sale of assets	-	-		(3,067,914)						-	(3,067,914)
71400+010	Housing Assistance Payment				-						-	-
71400+020	Administrative Fee				-						-	-
71400	Fraud recovery	-	-	-	-						-	-
71500	Other revenue	103,094	2,631,438	(25,000)	2,886,263				12,775	9	12,784	2,899,047
71600	Gain / loss - sale of capital assets	-	-		73,050						-	73,050
72000+010	Housing Assistance Payment				-						-	-
72000+020	Administrative Fee										-	-
72000	Investment income - restricted	-	-	-	-						-	-
70000	Total Revenue	279,861	5,015,058	(2,422,721)	32,038,245	213,679	236,732	329,395	265,487	9	1,045,302	33,083,547
91100	Administrative salaries	21,388	1,087,938		1,847,352	728	1,089	1,027	14,244		17,088	1,864,440
91200	Auditing fees	525	7,185		41,200	180	180	4,680	180	3,000	8,220	49,420
91300+010	To PHA Administered Program (i.e. COCC)	77,075	-	(1,890,017)	-	13,175	13,689	18,634	15,554		61,052	61,052
91300+020	To Third Party/Outside Entity	-	-		-	10,407	10,407	-	8,554		29,368	29,368
91300	Management Fees	77,075	-	(1,890,017)	-	23,582	24,096	18,634	24,108	-	90,420	90,420
91310	Book-Keeping Fee	-	-	(276,074)	-						-	-
91400	Advertising and Marketing	156	11,671		67,433						-	67,433
91500	Employee Benefit contributions - Admin	5,520	304,254		525,248						-	525,248
91600	Office Expenses	3,776	196,832		663,533	322	6,131	607	1,935	100	9,095	672,628
91700	Legal Expense	4,727	37,269		121,768	42	2,192	53	71		2,358	124,126
91800	Travel	54	955		1,475				27		27	1,502
91810	Allocated Overhead	-	-		-						-	-
91900	Other	5	60,811	(53,656)	73,078			530	187		717	73,795
91000	Total Operating-Administrative	113,226	1,706,915	(2,219,747)	3,341,087	24,854	33,688	25,531	40,752	3,100	127,925	3,469,012
92000	Asset Management Fee			(153,720)	-						-	-

FDS #	Description	Business Activity	Central Office Fund 900	Eliminations	RRHA TOTAL	Indian Village 456	Park Street 457	Stepping Stone 455	Hurt Park 459	RVHC 402	TOTAL COMPONENT UNITS	ENTITY WIDE TOTAL
92100	Tenant services - salaries	-	(5,048)		298,356						-	298,356
92200	Relocation Costs	-	-		77,586						-	77,586
92300	Employee benefit contribs - tenant services	-	1,069		128,618						-	128,618
92400	Tenant services - other	20	8,753	(14,169)	176,454						-	176,454
92500	Total Tenant Services	20	4,774	(14,169)	681,014	-	-	-	-	-	-	681,014
93100	Water	503	6,554		468,224	625	10,856	11,518	121		23,120	491,344
93200	Electricity	1,299	7,315		600,745	3,123	3,201	273	3,284		9,981	610,726
93300	Gas	-	10,318		567,573		3,138				3,138	570,711
93400	Fuel	-	-		-						-	-
93500	Labor	-	-		-						-	-
93600	Sewer	390	6,132		498,229	63	7,571	12,261	538		20,433	518,662
93700	Employee benefit contributions - utilities	-	-		-						-	-
93750	HAP Portability-In	-	-		-						-	-
93800	Other utilities expense	616	-		616						-	616
93000	Total Utilities	2,808	30,319	-	2,135,387	3,811	24,866	24,052	3,943	-	56,672	2,192,059
94100	OMO-labor	2,096	27,394		723,015	121	585	600	3,396		4,702	727,717
94200	OMO-materials, other	1,740	7,540		524,548	4,653	14,146	5,924	29,530		54,253	578,801
94300-010	OMO contracts-Trash Removal	12,348	-		16,182	4,539	1,652				22,373	277,500
94300-020	OMO contracts-HVAC	-	-		141,906	5,810	1,429	4,612	3,590		15,441	157,347
94300-030	OMO contracts-Snow Removal	-	-		-						-	-
94300-040	OMO contracts-Elevator Maint	-	-		17,784						-	17,784
94300-050	OMO contracts-Grounds	7,350	-		263,959	9,090	9,170	7,745	7,895		33,900	297,859
94300-060	OMO contracts-Unit Turnaround	-	-		125,892			202	18,173		18,375	144,267
94300-070	OMO contracts-Electrical	-	-		58,008	100	380	1,770	2,210		4,460	62,468
94300-080	OMO contracts-Plumbing	2,279	-		283,690	3,506		134	85		3,725	287,415
94300-090	OMO contracts-Extermination	1,713	-		85,472	1,045	1,001	2,246	1,758		6,050	91,522
94300-100	OMO contracts-Janitorial	-	29,612		54,465	280	200		490		970	55,435
94300-110	OMO contracts-Routine Maint	-	-	(33,868)	572,273	3,375	3,704	9,667	2,021		18,767	591,040
94300-120	OMO contracts-Misc	18,346	3,226		26,460	6,353					10,006	36,466
94300	Ordinary Maint & Operations Contracts	42,036	32,838	(1,217)	1,885,036	45,741	24,076	28,028	36,222	-	134,067	2,019,103
94500	OMO- Employee benefit contributions	602	(31,411)	(35,085)	119,547						-	119,547
94000	Total Maintenance	46,474	36,361	(35,085)	3,252,146	50,515	38,807	34,552	69,148	-	193,022	3,445,168
95100	Protective services - labor	-	-		-						-	-
95200	Protective services - contract costs (police)	-	-		35,943				460		460	36,403
95300	Protective services - other	-	-		131,858		6,845				6,845	138,703
95500	Protective services - Employee benefit contribs	-	-		-						-	-
95000	Total Protective Services	-	-	-	167,801	-	6,845	-	460	-	7,305	175,106
96110	Property Insurance	3,291	1,913		196,330	15,766	7,908	15,974	27,323		66,971	263,301
96120	Liability Insurance	1,332	4,618		74,987	39	10,680	1,659	1,091	1,626	15,095	90,082
96130	Workmen's Compensation	996	11,160		46,821	150	156	187	249		742	47,563
96140	All other Insurance	21	233		24,357	4		10	13		31	24,388
96100	Total Insurance Premiums	5,640	17,924	-	342,495	15,959	18,748	17,830	28,676	1,626	82,839	425,334
96200	Other general expenses (FSS Escrow)	-	-		-						-	-
96210	Compensated absences	(1,337)	123,390		269,683						-	269,683
96300	Payments in lieu of taxes	-	-		151,720	23,929	17,240	26,774	42,949		110,892	262,612
96400	Bad debt - tenant rents	1,689	-		375,621	3,809	3,586	12,822	6,951		27,168	402,789
96500	Bad debt - mortgages	-	-		-						-	-
96600	Bad debt - other	-	-		3,750						-	3,750
96800	Severance expense	-	-		-						-	-
96000	Total Other General Expenses	352	123,390	-	800,774	27,738	20,826	39,596	49,900	-	138,060	938,834
96710	Interest - Mortgage/Bonds Payable	-	-		-	35,370	18,245	14,734	54,795		123,144	123,144
96720-010	Interest on EPC Related Debt	-	-		-						-	-
96720-020	Interest on All Other Debt	-	-		-		292				292	292
96720	Interest on Notes Payable (short & long term)	-	-		-						-	-
96730	Amortization of Bond Issue Costs	-	-		-	395	421	318	387		1,521	1,521
96700	Interest expense and Amortization cost	-	-	-	-	35,765	18,958	15,052	55,182	-	124,957	124,957
96900	Total Operating Expenses	168,520	1,919,683	(2,422,721)	10,720,704	158,642	162,738	156,613	248,061	4,726	730,780	11,451,484
97000	Excess Revenue Over Operating Expenses	111,341	3,095,375	-	21,317,541	55,037	73,994	172,782	17,426	(4,717)	314,522	21,632,063

FDS #	Description	Business Activity	Central Office Fund 900	Eliminations	RRHA TOTAL	Indian Village 456	Park Street 457	Stepping Stone 455	Hurt Park 459	RVHC 402	TOTAL COMPONENT UNITS	ENTITY WIDE TOTAL
97100	Extraordinary maintenance	-	-	-	525,945	-	-	16,652	-	-	16,652	542,597
97200	Casualty losses- Non-capitalized	-	-	-	19,000	-	-	-	-	-	-	19,000
97300-010	Mainstream 1 & 5 year	-	-	-	885,125	-	-	-	-	-	-	885,125
97300-020	Home-Ownership	-	-	-	48,396	-	-	-	-	-	-	48,396
97300-025	Litigation	-	-	-	-	-	-	-	-	-	-	-
97300-030	Hope IV	-	-	-	-	-	-	-	-	-	-	-
97300-035	Moving to Work	-	-	-	-	-	-	-	-	-	-	-
97300-040	Tenant Protection	-	-	-	42,811	-	-	-	-	-	-	42,811
97300-050	All Other	-	-	-	13,514,537	-	-	-	-	-	-	13,514,537
97300	Housing assistance payments	-	-	-	14,490,869	-	-	-	-	-	-	14,490,869
97350	HAP Portability In	-	-	-	-	-	-	-	-	-	-	-
97400	Depreciation expense	4,251	12,445	-	2,169,050	177,786	177,398	105,694	217,044	-	677,922	2,846,972
97500	Fraud losses	-	-	-	-	-	-	-	-	-	-	-
97800	Dwelling units rent expense	-	-	-	-	-	-	-	-	-	-	-
90000	Total Expenses	172,771	1,932,128	(2,422,721)	27,925,568	336,428	340,136	278,959	465,105	4,726	1,425,354	29,350,922
10010	Operating transfer in	-	-	-	45,530	-	-	-	-	-	-	45,530
10020	Operating transfer out	-	-	-	(45,530)	-	-	-	-	-	-	(45,530)
10030-010	Not For Profit	-	-	-	-	-	-	-	-	-	-	-
10030-020	Partnership	-	-	-	-	-	-	-	-	-	-	-
10030-030	Joint Venture	-	-	-	-	-	-	-	-	-	-	-
10030-040	Tax Credit	-	-	-	-	-	-	-	-	-	-	-
10030-050	Other	-	-	-	-	-	-	-	-	-	-	-
10030	Operating transfers from / to primary govt	-	-	-	-	-	-	-	-	-	-	-
10040	Operating transfers from / to component unit	-	-	-	-	-	-	-	-	-	-	-
10070	Extraordinary items, net gain/loss	-	-	-	-	-	-	-	-	-	-	-
10080	Special items, net gain/loss	-	-	-	-	-	-	-	-	-	-	-
10091	Inter AMP Excess Cash Transfer In	-	-	-	500,000	-	-	-	-	-	-	500,000
10092	Inter AMP Excess Cash Transfer Out	-	-	-	(500,000)	-	-	-	-	-	-	(500,000)
10093	Transfers btwn Program & Project - In	-	-	-	-	-	-	-	-	-	-	-
10094	Transfers btwn Program & Project - Out	-	-	-	-	-	-	-	-	-	-	-
10100	Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
10000	Excess (Deficiency) of Revenues vs Expenses	107,090	3,082,930	-	4,112,677	(122,749)	(103,404)	50,436	(199,618)	(4,717)	(380,052)	3,732,625
11020	Required Annual Debt Principal Payments	-	-	-	-	21,682	11,253	31,206	29,154	-	93,295	93,295
11030	Beginning equity	933,160	2,998,330	-	56,345,026	885,481	814,632	1,959,336	3,582,163	87,842	7,329,454	63,674,480
11040-010	Prior period adjs & correction of errors	-	-	-	-	-	-	-	-	-	-	-
11040-020	Prior period adjs & correction of errors	-	-	-	-	-	-	-	-	-	-	-
11040-030	Prior period adjs & correction of errors	-	-	-	-	-	-	-	-	-	-	-
11040-040	Prior period adjs & correction of errors	-	-	-	-	-	-	-	-	-	-	-
11040-050	Prior period adjs & correction of errors	-	-	-	-	-	-	-	-	-	-	-
11040-060	Prior period adjs & correction of errors	-	-	-	-	-	-	-	-	-	-	-
11040-070	Equity Transfers (UNRESTRICTED)	-	-	-	-	-	-	-	-	-	-	-
11040-080	Equity Transfers (RESTRICTED)	-	-	-	-	-	-	-	-	-	-	-
11040-090	Equity Transfers	-	-	-	-	-	-	-	-	-	-	-
11040-100	Equity Transfers	-	-	-	-	-	-	-	-	-	-	-
11040-110	Equity Transfers	-	-	-	-	-	-	-	-	-	-	-
11040	Prior Pd adjs, Equity tmfrs, & Error corrections	-	-	-	-	-	-	-	-	-	-	-



Independent Accountant's Report on Applying
Agreed-Upon Procedures

To Roanoke Redevelopment and Housing Authority:

We have performed the procedure described in the second paragraph of this report, which was agreed to by Roanoke Redevelopment and Housing Authority and the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), on whether the electronic submission of certain information agrees with the related hard copy documents included within the reporting package. Roanoke Redevelopment and Housing Authority is responsible for the accuracy and completeness of the electronic submission. The sufficiency of the procedure is solely the responsibility of Roanoke Redevelopment and Housing Authority and REAC. Consequently, we make no representation regarding the sufficiency of the procedure described below for which this report has been requested or for any other purpose.

We compared the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed documents listed in the "Hard Copy Documents" column. The results of the performance of our agreed-upon procedure indicate agreement or non-agreement of the electronically submitted information and hard copy documents as shown in the attached chart.

We were engaged to perform an audit in accordance with Audits of States, Local Governments, and Non-profit Organizations, of the financial statements of Roanoke Redevelopment and Housing Authority as of and for the year ended September 30, 2022, and have issued our reports thereon dated March 7, 2023. The information in the "Hard Copy Documents" column was included within the scope, or was a by-product of that audit. Further, our opinion on the fair presentation of the supplemental financial data templates dated March 7, 2023, was expressed in relation to the basic financial statements of Roanoke Redevelopment and Housing Authority taken as a whole.

A copy of the financial statement package required by the Uniform Guidance, which includes the auditor's reports is available in its entirety from Roanoke Redevelopment and Housing Authority. We have not performed any additional auditing procedures since the date of the aforementioned audit reports. Further, we take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.

This report is intended solely for the information and use of Roanoke Redevelopment and Housing Authority and the U.S. Department of Housing and Urban Development, REAC, and is not intended to be and should not be used by anyone other than these specified parties.

March 7, 2023
Toms River, New Jersey

Attachment to Independent Accountant's Report on Applying
Agreed-Upon Procedures

UFRS Rule Information	Hard Copy Document(s)	Findings
Balance Sheet and Revenue and Expense (data line items 111 to 1121)	Financial Data Schedules, all CFDA's	Agrees
Footnotes (data element G5000-010)	Footnotes to audited basic financial statements	Agrees
Type of Opinion on the Financial Data Schedule (data element G5100-010)	Auditor's supplemental report on Financial Data Schedule	Agrees
Audit Findings Narrative (data element G5200-010)	Schedule of Findings and Questioned Costs	Agrees
General information (data element series G2000, G2100, G2200, G2300, G9000, G9100)	OMB Data Collection Form	Agrees
Financial statement report information (data element G3000-010 to G3000-050, G3100-010 to G3100-030, G3200-010 to G3200-030, G3300-010 to G3300-060, G3400-010 to G3400-020)	Schedule of Findings and Questioned costs, Part 1 and OMB Data Collection Form.	Agrees
Federal program report information (data element G4000-010 to G4000-040)	Schedule of Findings and Questioned costs, Part 1 and OMB Data Collection Form.	Agrees
Federal agencies required to receive reporting package (data element G4000-050)	OMB Data Collection Form	Agrees
Basic financial statements and auditor's reports required to be submitted electronically.	Basic financial statements (inclusive of auditor reports)	Agrees